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ABSTRACT

This book contains theoretical background and provides information to assist administrators engaging in strategic planning for institutions of higher education. Strategic planning must be systematic; it involves choosing specific priorities and making decisions about short-term and long-term goals. Engaging key stakeholders in identifying priorities allows broad consensus building which results in enhanced accountability and ensures that a strategic plan will be used for guidance. The chapters are: (1) "A Changing Environment"; (2) "The Idea of Planning"; (3) "Organizational Culture, Paradigms, and the Fear of Change"; (4) "Leaders and Their Followers"; (5) "Overview of the Strategic Planning Process"; (6) "Laying the Foundation"; (7) "Clarifying Your Mandates, Core Values, and Mission"; (8) "Establishing a Vision for the Future"; (9) "Conducting a Situational Analysis"; (10) "Identifying Strategic Issues"; (11) "Developing Strategy"; (12) "Implementing the Strategic Plan"; and (13) "Conclusion." Chapters 6 through 12 outline the key steps in the strategic planning process. Nine appendixes contain supplemental information about resources and techniques for strategic planning. (Contains 14 tables, 36 figures, and 242 references.) (SLD)

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Strategic Planning in Higher Education

Theory and Practice

ED 448 675

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Strategic Planning in Higher Education

Theory and Practice

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Foreword

Search on the words "strategic plan" on an Internet search engine and you are bound to pull up hundreds of URLs for colleges and universities—large universities, small liberal arts institutions, community colleges. When you go to these sites, you'll find the results of those institutions' strategic planning efforts. In some cases, you'll find the whole strategic planning process detailed—from the selection of teams, to the assessment of the vision and mission statements, to the analysis of problems and opportunities unique to each institution, to the development and refinement of goals.

There's no denying it. Strategic planning is a pervasive reality of American higher education. Why? In the face of significant change (shifting demographics of college students; new technology for the delivery of education in new ways; diversification of revenue streams), higher education institutions need to decide what they stand for and where they are going in order to prosper. And in an increasingly informed world, their constituents (including donors) are asking their institutions to be clearer about their intentions.

Most colleges are in some stage of strategic planning. Some are further along than others in the process, and some are more sophisticated. Sophistication in this arena is not measured by how long or detailed a plan is, but rather by how the institution is using it or will use it. Does everyone on campus— from food service vendor to presidential assistant—know and understand the institution's strategic goals and how they affect his or her everyday job? And did the planning process itself help the overall communication between campus groups and increase individuals'

investment in the future of the institution?

In the pages that follow, Bob Sevier provides some excellent tools to help your institution undertake a sophisticated and productive strategic planning process. This book will help you decide the right time to start the process. It will help you make the case for the process.

Most importantly, this book will walk the reader through each step of the process. The author has separated Chapters 6 through 12 into what he believes are the key steps in the plan: laying the foundation, affirming the institution's values, establishing a mission, assessing the internal and external environment, identifying the strategic issues, developing a strategy, and then implementing the plan. While every institution's process will vary, and while each of these steps may overlap or fade in and out during the process, the fundamental concepts are valid whatever the particular circumstances of your college or university.

CASE is pleased to provide this new text as a means of helping to strengthen post-secondary institutions and advance their purposes.

Vance T. Peterson
President Designate, CASE
November 2000

Acknowledgment

This book has been a group effort and though I am listed as the author, I had dozens of contributors from colleges and universities across the country who generously shared their time, their ideas, and their strategic plans. I appreciate their candor, their insights, and their trust. And while I had the help of many, a handful deserve special recognition for supplying insight and answers to my questions. In particular I would like to thank: Harry Battson from the University of Central Florida, William Austin from Salem Community College, Floyd Akins then from Grinnell College and now working at the University of Iowa, Kathy Wehling from Valparaiso University, Greg Vaughan from Biola University, Joe Cope from Abilene Christian University, Gary Lozier from Penn State, Sandy Rogers from the University of Nevada, Reno, Bob Massa from Dickinson University, Mike Norris from Centre College, Patricia VandenBerg from Mount Holyoke College, and Lorna Miles Whalen of Johns Hopkins University.

As with my previous efforts, I would also like to thank my assistant, Toni LeVasseur. Her help with this project is greatly appreciated. Toni makes my job easier and does so with a sense of humor and professionalism that I value deeply.

Finally, as with all that I do, I would like to thank the two people who matter most to me: Pat and Andy, my wife and son. They are my center and the very best part of my life.

I would like to close by acknowledging the administrators at the many colleges and universities that I work with on an almost day-to-day basis. I am constantly awed by the quality of their ideas, their work ethic, and their commitment to their institutions and the profession. The faculty, students, alumni, community members, and others who are served by these individuals should be thankful as well.

As with my previous efforts, I willingly share the credit for this work with all of these people, both named and unnamed, and I reserve only the mistakes for me.

Introduction: The Notion of Strategy

"If you do not think about the future, you cannot have one."

— John Galsworthy
Nobel prize-winning author

The Long View

The situation will be familiar to many. Someone had either criticized my university or had been unresponsive to a splendid proposal we had made, and I was incensed. Believing that colleges and universities were the next best thing to sliced bread, I sputtered with indignation. How the public and their representatives could be so incredibly stupid was a question to which, I thought, all great minds should immediately turn. Fortunately for my education and my professional development, I worked at the time for the Chancellor Al Bowker, one of the wisest men and shrewdest administrators I have known.

Seeing me making a minor fool of myself, he said, "Ray, you have to remember that higher education is not as important as we think it is ..." I went from crushed to crestfallen to depressed in the space of a second or two. He went on. " ... but it is more important than everyone else thinks it is."

— Raymond Bacchetti, from a speech "Strategic Planning: Managing Multiple Realities" presented at the 1988 CASE Annual Assembly.

It is almost impossible to describe what life in the academy is like to someone who is not intimately involved with colleges and universities. One of the most useful descriptions is a metaphor from the pen of organizational theorist, James March.

In the mid-70s, March wrote, "Imagine that you're either the referee, coach, player, or spectator at an unconventional soccer match: the field for the game is round; there are several goals scattered haphazardly around the circular field; people can

enter and leave the game whenever they want to; they can throw balls in whenever they want; they can say 'that's my goal' whenever they want to, as many times as they want to, and for as many goals as they want to; the entire game takes place on a sloped field; and the game is played as if it makes sense."

To March's description I would add: And during the match the referee blows his whistle repeatedly and no one pays attention. As odd as this illustration may be, I believe it describes these essential and much-valued characteristics of colleges and universities:

- Shared goals and rules;
- Shifting coalitions and loose definitions of teams;
- Lack of an authoritarian referee;
- Process (play) that is often more important than outcomes (who wins);
- Joint decision making;
- Highly intelligent people;
- Deep commitment to tradition, symbol, and ritual;
- Unlimited playing time; and
- Uncertain boundaries.

While I describe these characteristics as valued qualities, and in most cases they are, these same characteristics can, either singularly or in combination, impede strategic planning. The challenge, then, is how can quixotic organizations like colleges and universities understand, embrace, and even benefit from the idea of thinking strategically.

The idea of thinking strategically

Higher education believes if you're not thinking strategically, you're probably in trouble. While most administrators and faculty intuitively understand the need for strategic thinking at one level, they are often unsure what strategic thinking really is, how it might benefit an institution, or even how to begin.

Let me give you two examples. Both true. Both thoroughly disguised. I recently returned from a board retreat where the goal was to identify ways to increase revenue. Almost immediately, board members launched into a discussion of user fees. They wanted to know, for example, if they could charge students for accessing the institution's intranet.

Earlier this year I went on another board retreat where the main topic was declining enrollment in the business program. One board member suggested a stronger promotion plan; another said it would be foolish to focus on promotion without examining whether or not the program was still in demand, whether it was well staffed and supported, and the level of competition it faced for prospective students.

Of the two examples, which one evidences strategic thinking? I hope you chose the latter. The board member in the first example focused too quickly on tactics.

The six strategic decision areas

Noted strategic planner Robert C. Shirley identified six key decision areas that constitute the overall strategy of an organization:

1. Basic philosophy and values: the basic *raison d'être* of the enterprise, its guiding principles for behavior;
2. Goals and objectives: what the organization seeks to accomplish both generally (goals) and specifically (objectives);
3. Product/program/service mix: the types of activities the organization is engaged in to accomplish the goals and objectives;
4. Customer mix: the clients being served by the organization;
5. Geographic areas to be served: the physical boundaries of an organization's activities; and
6. Competitive emphasis: the differential advantage sought over other organizations engaged in similar activities.

Shirley concludes that strategic decision making can unify organizational activities and prevent piecemeal planning efforts often found in higher education. In his mind, strategic decisions are first-order decisions for every organization because, once clearly delineated, they provide direction to lower-order implementary decisions. This approach fulfills the dual purpose of strategy—to provide both direction and cohesion to the enterprise.

Determinants of strategy

Shirley says four major determinants of an organization's strategy exist:

1. External opportunities,
2. External constraints,
3. Internal capabilities, and
4. Personal values of key constituents.

External opportunities refer to those economic, social, political/legal, and technological factors in the environment that an organization can exploit. These are the "might dos" of an overall strategy. The potential educational needs of a U.S. Air Force base adjacent to a regional

community college represents a tremendous set of "might dos."

External constraints define what an organization "cannot do." These forces may be legal or part of the institution's historical mandates. If yours is a women's college, you cannot serve men.

Internal capabilities define the "can do." They focus on the particular strengths (human, financial, facilities) of the organization. If you have an affinity for technology as does MIT, the emergence of the Internet represents a dizzying array of "can dos."

The final determinant is the personal values of such key constituencies as faculty and staff. This determinant can be labeled the "want to do" element of strategy. If you are one of the 170 or so Bachelor i Liberal Arts colleges in the United States, the idea of offering nursing is outside of your "want to do" list. At the same time, though, you might be very attracted to the idea of a program in international economics.

Key strategic questions facing colleges and universities

Any campus interested in strategic planning must be ready to deal with three fundamental questions:

1. Who are we?
2. What do we want to be in the future?
3. How are we going to get there?

These three questions spawn a host of others:

- What kinds of students do we want to serve?
- What will they be like in the future?
- What should we teach and how should we teach it?
- How will students learn?
- What does student success mean to us?
- What role do we, should we, and can we fill in our society?
- What responsibilities do we have to our alumni?
- What resources will we need to realize our future?

Planning questions for the University of Montana

The president of the University of Montana initiated the university's strategic planning process by suggesting that the campus begin by wrestling with the following questions (taken from *www.umt.edu/strategic/challenge*):

- How can we successfully integrate the multi-campus university to realize the benefits of shared resources?
- What must we do to assure we deliver the programs needed in different localities without program duplication?
- How can we lower the barriers to collaborative and cooperative programming across campus boundaries?
- Which changes must we make in the personnel policies and practices, governance arrangements, and institutional structures to facilitate inter-campus functioning?
- Given the anticipated changes in the external environment and the predictable competition from other institutions of higher education in and out of the state, which array of programs offers the optimal mix for the University of Montana-Missoula? The University of Montana?
- What level and scope of student services must the university maintain to attract and retain students?
- Which mix of students—residents and nonresidents (including international), undergraduate and graduate (including two-year and first professional), traditional and nontraditional—makes the most sense for the University of Montana-Missoula, and from which markets will those students come?
- How many of the enrolled students will actually matriculate on campus, and how many will access the courses and programs from remote sites?
- Which research programs make sense for the University of Montana-Missoula to pursue, and how do these programs relate to the graduate programs? How do we organize to assure that we provide the required infrastructure for the support of graduate education and research?
- If the University of Montana-Missoula aspires to Research II status, how will the university achieve that status?
- What is the adequate level of support for access to materials and information for faculty and students at The University of Montana-Missoula, and how will the university achieve that level of support?
- What is the adequate level of student financial aid, and where will the support originate?
- What is the adequate level of support for information technology on the campus of the University of Montana-Missoula and how will it achieve that level of support?
- What is the role of the University of Montana Foundation in helping to assure the necessary resources for the University of Montana-Missoula?
- What is the role of the University of Montana Alumni Association in providing the necessary resources to support the University of Montana-Missoula?
- How will changes in Montana University System governance affect the university's capacity to respond to these challenges?

The answering of these and related questions is the foundation of strategic thinking and the strategic planning process.

Recognizing past mistakes (or our love of strategic expansionism)

David Leslie and E. K. Fretwell, writing in *Wise Moves in Hard Times,* remind us that although "planning" and "strategy" have become part of the vocabulary of institutional life, the words have sometimes been used as "euphemisms for indiscriminate expansiveness—whether to justify more of the same or to justify random opportunism."

"As a vice president at one institution pointed out, 'The old strategic planning process … was mainly about how to hand out the new money that had been coming in each year forever.' Institutions that had plans and strategies often could not focus on how to manage with declining resources until after it became absolutely necessary to do so. They had not, in most cases, engaged in serious strategic thinking about how and why they were doing all that they had taken on," says Leslie and Fretwell.

Let me give you two examples of clear strategic thinking. The first, drawn from Leslie and Fretwell, involves Trenton State College. The second deals with Truman State University.

Trenton State College

In the early 1980s—an otherwise expansive time—Trenton State downsized its enrollment by about one third and eliminated many graduate programs. It did so in order to reallocate funding to quality improvement for undergraduate education. It now occupies a distinctive place among New Jersey's public colleges and has attracted a student body with unusually strong credentials. Trenton State's leaders understood longer-term demographic trends were unfavorable and that funding would continue to be problematic. Instead of simply accepting that the college would likely have to educate fewer less-qualified students with a lower per-FTE funding base, Trenton State reinvented its mission and its image. By positioning itself differently to respond to obvious and inevitable changes in the marketplace, it anticipated stress and acted before the problem became acute.

Truman State University: The power of a name change

One of the most interesting examples of how strategic decision making can advance an institution is that of Truman State. Nearly 125 years ago, Truman State began, as did dozens of other colleges and universities around the country, as a regional normal school. In fact, "normal" was part of the college's name until 1968 when it became Northeast Missouri State College. Later in 1972, it became Northeast Missouri State University, and then 24 years later it became Truman State University.

The change from Northeast Missouri State to Truman State may not seem significant. But, the change was part of a 10-year transition for the university as it evolved from a regional university to Missouri's only statewide liberal arts and sciences university.

Problems with the old name

The university's old directional name—Northeast—projected an image of a regional multipurpose institution rather than reflecting its evolving role. The perceptions inherent with the regional name caused problems with student and faculty recruitment and with the university's efforts to garner grants and other funds from the private sector.

As a regional university, Northeast shared similar names with its sister institutions throughout the state. Northeast Missouri State University was often confused with Northwest Missouri State University by media, the legislature, prospective students, educators, and the general public.

Why "Truman" State University?

Several factors were considered in selecting a new name for the university. The new name needed to

- move away from a regional designation,
- reflect the university's mission,
- carry national recognition,
- be held in high esteem throughout the state of Missouri and the nation, and
- exhibit the prestige associated with this high quality liberal arts and sciences institution.

Since the name change in 1996, Truman State University has enjoyed unprecedented public attention that has had enormous fund-raising and recruiting implications. More than a simple name change, the decision to become Truman State University was a strategic move—well conceived, well planned, and well executed.

Alignment as the central tenant to strategic planning

Aligning an organization with its environment is central to the idea of strategic planning. In Figure I-1, Leonard Goodstein et al., in *Applied Strategic Planning: How to Develop a Plan that Really Works,* show that organizations have three levels of alignment. First the misaligned organization, which does not have strategic direction and operates with little regard for the environment.

Second the marginally aligned organization may have a strategic plan, but not all members are aligned with the plan or the environment.

And third, there is the organization whose members are fully aligned with the plan and the environment. The purpose of this book is to help your institution more completely resemble the third. (See my representation of this concept in Figure I-1.)

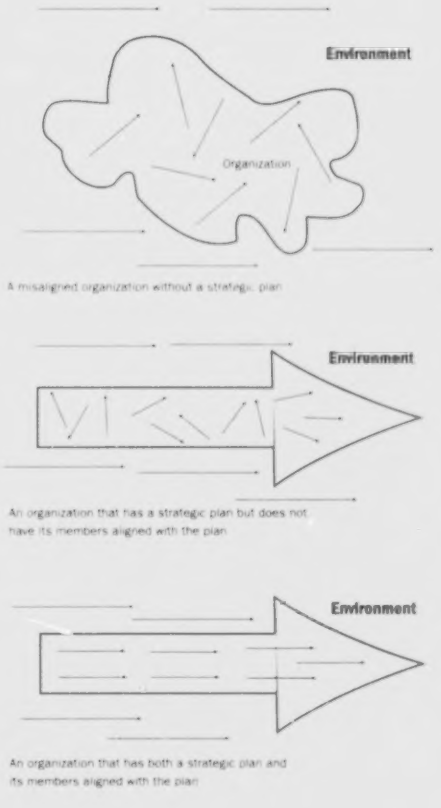
Environment
Organization
A misaligned organization without a strategic plan
Environment
An organization that has a strategic plan but does not have its members aligned with the plan
Environment
An organization that has both a strategic plan and its members aligned with the plan

Figure I-1
The Idea of Alignment
Source: Based on information presented in *Applied Strategic Planning: How to Develop a Plan that Really Works* by Leonard Goodstein, Timothy Nolan, and J. William Pfeiffer. (McGraw-Hill 1992)

The problem with unintended strategy

Beyond the issue of alignment is another issue: unintended strategy.

Much of strategic planning deals with deliberateness; making informed decisions that will heighten your institution's alignment with its environment. In a nutshell, this is strategy. However, all organizations, including educational institutions, make strategic decisions all the time, often without thinking deliberately and often with no thought of their environment. Henry Mintzberg and other experts call this "unintended strategy."

Unintended strategy occurs when no overarching strategic goals guide the organization or when those goals are ignored or suborned. In almost all cases, unintended strategy harmfully impacts the organization. Important problems are ignored, critical resources are squandered, time is wasted, and opportunities are lost.

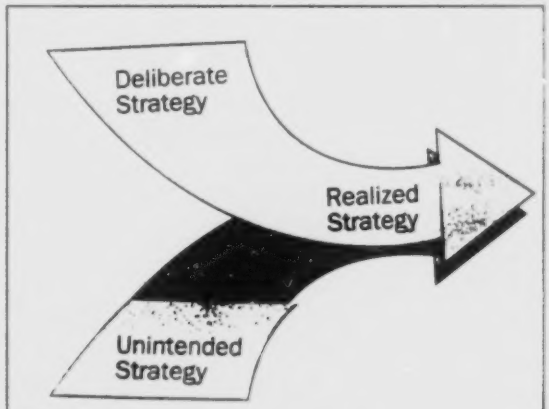

Figure I-2
The Merging of Deliberate and Unintended Strategy

Of course, all organizations have some unintended strategy and all emergent strategies include strategies that are both deliberate and unintended. The key is to reduce the level of unintended strategy as much as possible. (See Figure I-2.)

The third stage of planning

George Keller believes the combination of profound changes in society and sharper divisions among the 3,600 institutions of higher education in this country suggests that colleges and universities have entered the third stage of planning, where they must consider not just strategic, but structural changes. Recognizing that collegiate planning was heavily architectural and growth-oriented in the expanding 1960s and 1970s, and was predominantly

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strategic and efficiency-oriented in the contracting and more competitive 1980s and 1990s, he believes that college and university planning may now need to enter this third stage.

Keller writes in *The Emerging Third Stage in Higher Education Planning*,

> By structural changes, I mean alterations in the basic features that we have come to regard as fixed since the 1890s: college should take four years and require 120 or so credits. Faculties should be divided into departments. Classes should be small. Faculty should have lifetime tenure and should combine teaching, research, and service to the university and the public. Colleges and universities should stand alone, as separate as small towns in rural areas. Organized sports teams should provide recreation on each campus, with recruited athletes. Education should be offered in semesters, with little or no regular instruction during June, July, and August. Professors should have a doctorate, and each student should have a major subject in which she or he concentrates. I believe we will come to see that none of these features is essential.

He concludes, "The third stage of academic planning will, therefore, most likely derive from two things. One is a closer study of the innovative forms of postsecondary education taking place outside the traditional colleges and universities and the gradual adoption of the best new forms. The other is increased advocacy by planners for structural and not just incremental or even strategic changes at the traditional institutions."

Five elements of effective plans

Keller's comments set the stage for a brief introduction of Peter Drucker's five elements of strategic plans. In *The Drucker Foundation Self-Assessment Tool: Participant Workbook*, Drucker notes that effective strategic plans must include

- *Abandonment.* The first planning decision is abandonment of what does not work, what has never worked—the things that have outlived their usefulness and their capacity to contribute. Ask of any program, system, or customer group, "If we were not committed to this today, would we go into it?" If the answer is no, say, "How can we get out—fast?"
- *Concentration.* The building on success, strengthening what does work. When the performance is strongest is the very time to ask, "Can we set an even higher standard?" Concentration is vital, but it's also very risky. You must choose the right concentrations, or leave your flanks exposed.
- *Innovation.* You must look for tomorrow's success, the true innovations, and the diversity that stirs the imagination. What are the opportunities? Do they fit you? Do you really believe in this? But be careful. Before you go into something new, don't say, "This is how we do it." Rather, say, "Let's find out what this requires."
- *Risk taking.* There are risks you can afford to take, i.e. if it goes wrong, it is easily reversible. And there are great risks that you cannot afford not to take. The short

WHAT DEMING OFFERS COLLEGES AND UNIVERSITIES

Edwards W. Deming is best known for his landmark work in the area of continual quality improvement. While many believe Deming focuses almost exclusively on manufacturing and service providers, you can see that with a bit of interpretation and translation, some of his points offer significant insight for campuses. These points are taken from his 1986 publication *Out of Crisis*.

1. Create constancy of purpose for the improvement of product and service, with the aim of becoming competitive, staying in business, and providing jobs.
2. Adopt the new philosophy. We are in a new economic age. Western management must awaken to the challenge, learn their responsibilities, and take on leadership for change.
3. Improve constantly and forever, every process for planning, production and service to improve quality and productivity, and constantly decrease costs.
4. Institute training on the job.
5. Adopt and institute leadership. The aim of supervision should be to help people, machines and gadgets do a better job. Supervision of management and production workers is in need of overhaul.
6. Drive out fear so everyone can work effectively for the company.
7. Break down barriers between departments. People in research, design, sales and production must work as a team to foresee problems of production and those that may be encountered with the product or service.
8. Eliminate management by objectives. Eliminate management by numbers and numerical goals. Substitute leadership.
9. Remove barriers that rob hourly workers of their right to pride of workmanship. The responsibility of supervisors must be changed from sheer numbers to quality.
10. Institute a vigorous program of education and self-improvement. Put everybody in the company to work to accomplish the transformation. The transformation is everybody's job.

range must be balanced with the long. Act conservatively and opportunities are missed. Commit too much too fast, and there may not be a long run to worry about.

- *Analysis.* Finally, recognize when you do not know, when you are not yet sure whether to abandon, concentrate, or initiate. This is when you should conduct an analysis.

Conclusion

If strategic planning is all about realizing dreams—and I believe that it is—then it is incumbent upon us to dream well. But as important as the dream is, the courage to act, to abandon, to innovate, to take risks is even more essential.

My clients often ask me what is the most important planning resource. Almost every client expects me to say money. More often than not, they are surprised when I say, "will." More important than money is the will to dream big dreams, the will to think strategically, the will to plan, and the will to follow through.

Additional Reading

No shortage of books and articles on strategy exists. I would like to begin by suggesting two books: *The Drucker Foundation Self-Assessment Tool: Participant Workbook* and *Managing for the Future: The 1990s and Beyond* also by Peter Drucker. You might also enjoy Amar Bhide's "Hustle as Strategy," Henry Mintzberg's "Crafting Strategy," and Michael Porter's *Competitive Strategy.* Finally, take a look at George Keller's *The Emerging Third Stage in Higher Education Planning,* and Carl Stern's *Perspectives on Strategy: From the Boston Consulting Group.* Please see the bibliography for a more complete listing.

CHAPTER 1

A Changing Environment

"Some problems are so difficult they cannot be solved in a million years—unless someone thinks about them for five minutes."

—H.L. Mencken
American literary critic

One of the primary purposes of strategic planning is to help an educational institution anticipate, evaluate, and even take advantage of the changes and opportunities in its environment. If this is true, and I believe that it is, then any serious attempt at strategic planning must begin with a careful analysis of marketplace trends. The need to analyze the marketplace was discussed in my book *Integrated Marketing for Colleges, Universities, and Schools* (CASE,1997). At that time, in support of integrated marketing planning, I outlined five major trends in education:

1. The changing demographics of college students;
2. Cost to attend and the tuition gap between publics and privates;
3. The rise of publics, including two-year institutions, as major players;
4. Greater involvement of states in managing their public institutions; and
5. Increased competition for the donated dollar.

For the most part, these trends are still current and are worth evaluating for their potential impact. However, these trends only tell part of the story, because the higher education marketplace has become even more complex since then. The speed of change has accelerated, and the range and ferocity of forces impacting our colleges, universities, and schools have never been greater.

Other writers have sought to identify the major trends affecting higher education. J. Kent Caruthers, Ray Thompson, and M. Keith Leach, in their book *Strategic Planning and the Marketing of Higher Education Institutions: A Response to the Challenges of the 21st Century*, identified several trends that are having a major impact on American colleges and universities. The authors identified these trends through literature searches, a national survey of state and institutional higher education officials, and their experiences—in consulting and planning—in more than 30 states:

- An emerging global economy and society;
- Changing economic characteristics;
- Increased public expectations of colleges and universities;
- Major population shifts;
- Greater population diversity;
- Increased demands for reform of undergraduate education;
- Changing nature of institution research;
- Fewer available faculty;
- Advances in technology;
- Increased costs of institutional operations;
- Increased competition for state funds;
- Greater competition for private giving; and
- Aging buildings (and infrastructure).

Nine megatrends

While the number of interrelated trends impacting the education marketplace is virtually limitless, the bulk of this chapter discusses nine:

1. Impact of technology;
2. Changing nature of today's—and tomorrow's—students;
3. Cost to attend college;
4. Increased competition for donated dollars;
5. Changing college curriculum;
6. Growing competition of noncollege delivery options;
7. Changing societal expectations;
8. Shift in power structures; and
9. "Blur."

The need for context

As we review these trends, please keep the following general guidelines in mind. First, our scope is largely national. Because the vast majority of institutions in this country are regional and even local, readers must take care to localize information gathered.

Second, these trends will not impact all institutions in the same way. For example, while rising cost impacts all institutions, it will have a greater impact on privates than publics. At the same time, regional publics and community colleges will, based on their track records, be more likely to take advantage of the changing demography of today's—and tomorrow's—students than will their four-year private counterparts.

And finally, institutions that are adroitly led will find many of these trends represent significant opportunities, rather than threats. At the same time, institutions that cannot make timely decisions may find themselves highly challenged. As one planner noted, "if you don't plan for the future, you won't have one."

Trend 1: The impact of technology

There is almost no easy way to get a handle on how much technology has impacted and will continue to impact teaching and learning. While hundreds, perhaps thousands, of studies portend our technological future, I would like to approach this topic a bit more anecdotally to give a sense of the sweeping changes facing higher education. Consider the following:

- According to NetSource.com, more than 12,000 Web sites are added to the Internet each month. 154 sites on Yahoo will help you register a new domain name.
- In 1998, 100 million people around the world were on the Internet. By 2005, that number will rise to 1 billion. (James Mingle, "Responding to the New Market for Education" in the Summer 1998 issue of *Priorities*.)
- "People have long talked about 'breathtaking' technological change, but what is about to take place is more on the order of 'suck the air right out of your lungs' technological change," said Douglas E. Van Houweling, vice provost for information technology, University of Michigan.
- According to the National Center for Educational Statistics, between fall 1994 and spring 1998, the number of public high schools with Internet access increased from 35 percent to 89 percent.
- The University of Phoenix has some 61,000 students. Directed at adults, this for-profit owned by the Apollo Group offers programs in 14 states, the Commonwealth of Puerto Rico, and Vancouver B.C.
- The Globewide Network Academy offers more than 250 providers, 770 programs, and 10,000 online courses. The World Lecture Hall gives thousands of courses in more than 100 disciplines. Internet University lists 62 providers with more than 2,000 courses available by computer. (Michael Dolence's February 1998 article in *Trusteeship*, "The Golden Rules of Learning.")
- More than 50,000 university-level courses are available online. (Samuel Dunn, "The Virtualizing of Education" in the March-April 2000 issue of *The Futurist*.)
- We now have 11 distance education mega-universities. The largest of these is in China and enrolls more than three million students. The British Open University enrolls more than 215,000 students and the University of South Africa has more than 120,000 students.

(Samuel Dunn, "The Virtualizing of Education.")

- Commercial learning providers further enrich the selection and choice of online education. "Learn It Online," a subsidiary of mega-publisher Ziff-Davis, provides unlimited access to its inventory of courses for a charter subscription rate of $29.95 per year. (National Center for Higher Education Management Systems *www.nchems.org.*)
- One of the newest and fastest growing majors on many campuses is e-commerce. Programs are underway or slated to begin at such institutions as the University of South Alabama, Old Dominion University, Carnegie Mellon University, and Texas Christian University. (Reported in *USA Today*, February 23, 2000.)
- As colleges and universities seek alternative sources of revenue, many are turning to the Internet. Four institutions, Columbia, the University of California, Florida State, and Yale have seen their income from net-related patent royalties increase from a combined $245 million in 1998 to $274 million in 1999. (Reported in *Newsweek*, February 28, 2000.)
- Sylvan Learning Systems, which delivers private tutoring and training through 650 Sylvan Learning Centers and 1,300 Prometric Computer-Based Testing Centers, states as its mission, "the world's leading provider of educational services to families, schools, and industry." It recently acquired The Wall Street Institute, adding 170 franchise centers to teach English in Europe and Latin America, and joined forces with MCI to build 50 high-technology Caliber Learning Centers in the United States and Europe. It also purchased Educational Inroads, gaining access to an additional 50 school districts, and Contract Education Services (22,000 students in 18 districts). Its partners include the National Geographic Society, Johns Hopkins University, Educational Testing Service, and the National Association of Secondary School Principals. (Michael Dolence, "The Golden Rules of Learning," *Trusteeship.*)
- More than 700 colleges and universities offer substantial portions of their BA degree via the Web. (Pam Dixon, *The Virtual University.*)
- Calculated with 1992 dollars, Americans spent $2.1 billion on computers in 1986, or just 0.32 percent of the $614 billion they spent on food and beverages that year. But look ahead to 2006. According to the latest projections from the Bureau of Labor Statistics, computer expenditures will soar to $666 billion—84 percent of the $704 billion Americans will shell out for food and drink. (Annetta Miller, *University Business*, March 1999.)
- "On the campuses of many of the best business schools this past semester there was something funny in the air. It wasn't spring fever. It was Web fever. An unprecedented number of students who had been happily headed toward careers on Wall Street or at the Fortune 100 suddenly changed course. Graduates who had gotten head-spinning offers for sure-thing careers from Boston Consulting Group or McKinsey or Goldman Sachs said thanks, but no thanks. Then they signed on with companies you know—Amazon.com, AOL, Microsoft—and companies you've never heard of: Campus Pipeline, SupplierMarket.com, UBUBU.com." (Betsy Morris in *Fortune*, August 2, 1999).
- Campus Pipeline, a free, personalized intranet that enables campus information systems to interact automatically with students, faculty, and staff, was launched in 1999. Within a couple of months it has nearly 400 client schools signed up with an estimated exposure to 2 million students. Its goal is 70 percent of the nation's college students. (Margaret Littman, "Kaplan's Test" in *University Business*, September 1999).
- Geoffrey Nunberg, in the January-February 1999 issue of *University Business*, notes that "networked computers have drawn attention to the library as at no time in the last 100 years. Behind this revival of interest is a new ideology of literacy, this one couched not in terms of the importance of books and reading, but rather in terms of the more nebulous notion of 'access to information.'" A dean at a regional public in Indiana recently reminded me that one of the most closely guarded secrets on his campus was how many—or how few—students and faculty actually use the library.

Rise in influence of technology suppliers

One of the most disturbing trends related to technology might best be termed "techno blackmail." Even as colleges and universities struggle to define technological competency and seek to artfully integrate technology into their curriculum, they find themselves held hostage by the hundreds of technology vendors who shout and clamor from the display ads in the *Chronicle of Higher Education.* Many of these vendors would have you believe that if you are not buying the latest, fastest, or biggest, then you have somehow pulled over to the side of the technology super highway. This technological hysteria seems to undermine any rational approach to adaptation, much less innovation. Rather than approaching technology systematically, too many institutions seem more inclined to buy now and sort it all out later.

It is perhaps one of the greatest of ironies that advertisements for this administrative software or that financial aid package are often placed not far from articles that highlight client dissatisfaction with those same products.

Need for a technology plan

A former president of a small college in North Carolina once quipped, "technology is the toilet that never stops flushing." While his words were laden with Southern charm and insight, a darker, more compelling and complex issue exists. The issue, of course, is cost.

In the September-October 1998 issue of *Trusteeship*, Ronald Salluzzo and Gregory Baroni reminded us,

> Higher education may have been one impetus behind the Internet, but many colleges and universities have become information back roads, bogged down with expensive, dated systems that seldom satisfy everyone … Few institutions fully calculate the start-up and recurring costs for hardware, infrastructure, personnel, training, and content development.

One of the greatest challenges facing our campuses is the need to look at technology from a strategic perspective. In other words, technology and its implications, potential uses, short- and near-term costs, maintenance, and planned obsolescence must be dealt with from a planning perspective.

Martin Ringle and Daniel Updegrove, writing in *Is Strategic Planning for Technology an Oxymoron?*, note that strategic technology planning on most campuses must include these motivations:

- Aligning technology with institutional priorities;
- Disseminating knowledge about technology needs and constraints;
- Building alliances with key decision makers;
- Lobbying for (and obtaining) financial and other resources;
- Addressing existing technology needs; and
- Keeping an eye on the leading edge.

The authors say strategic technology planning fails when there is

- A failure to tie technology to institutional mission and priorities;
- A failure to get the right people on board;
- An excessive focus on technical detail; or
- A lack of suitable leadership.

Plans and best practices

The decision by a college or university to undertake a strategic technology plan is a critical first step. While there are many resources to which you might turn, I strongly suggest the resources made available through *www.educause.edu*. Not only does its Web site include dozens of sample plans, but there is also a wealth of information on best practices.

Trend 2: Changing nature of today's– and tomorrow's–students

While I do not believe the number or type of students in a marketplace are axiomatically related to institutional success, I do believe student cohorts in the marketplace can have a profound impact on institutional success. This chapter explores a handful of sub-themes:

- Number of students in the marketplace,
- Ethnic diversity,
- Full-time vs. part-time,
- Increasing nonresidential nature, and
- Galloping psychology of entitlement.

Number of students in the marketplace

First, there is good news. The number of students in college is at an all time high. (See Figure 1-1.) However, while national numbers may be moving in a positive direction, significant regional variations will take place over the next decade, as suggested by the projected change in numbers of high school graduates over the next decade. (See Figure 1-2.)

Ethnic diversity

Figure 1-3 shows important shifts in the projected ethnic composition of the U.S. population over the next 50 years. There will be a small decline in the Caucasian population. Hispanics and Asians will grow strongly, and the number

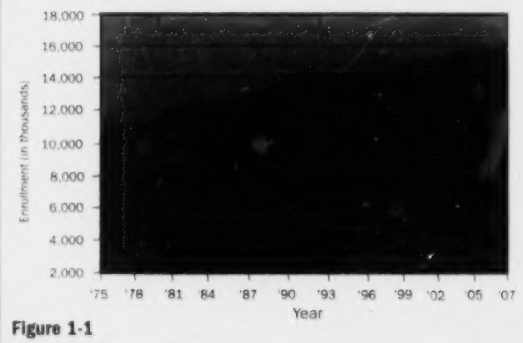

Figure 1-1
College Enrollment Trends
Source: Based on information from the National Center for Educational Statistics *Digest of Educational Statistics 1999*. (www.nces.ed.gov)

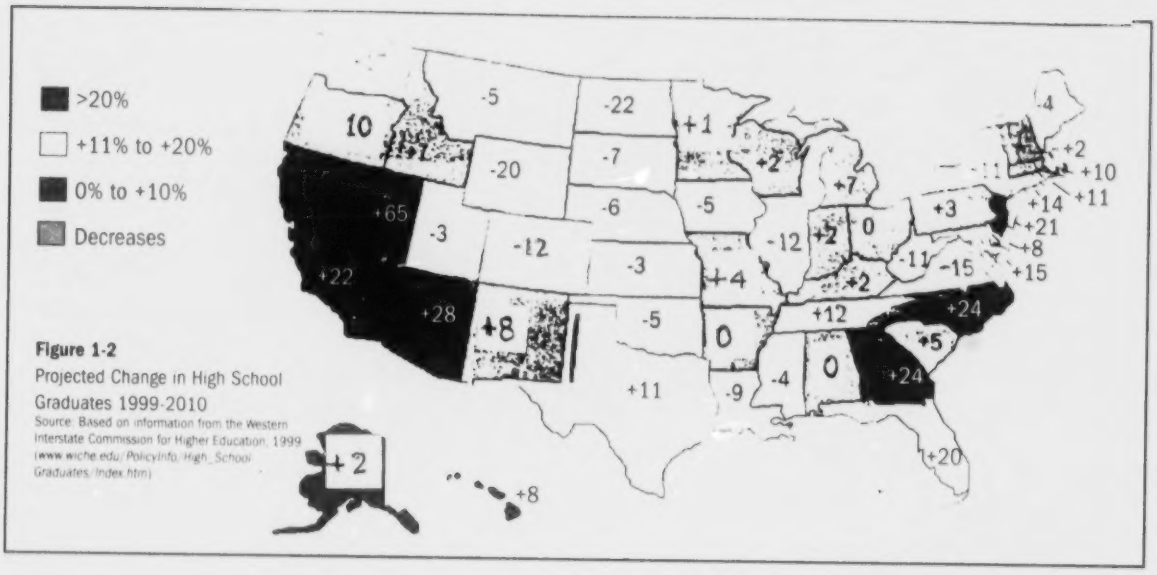

Figure 1-2
Projected Change in High School Graduates 1999-2010
Source: Based on information from the Western Interstate Commission for Higher Education, 1999 (www.wiche.edu/PolicyInfo/High_School_Graduates/index.htm)

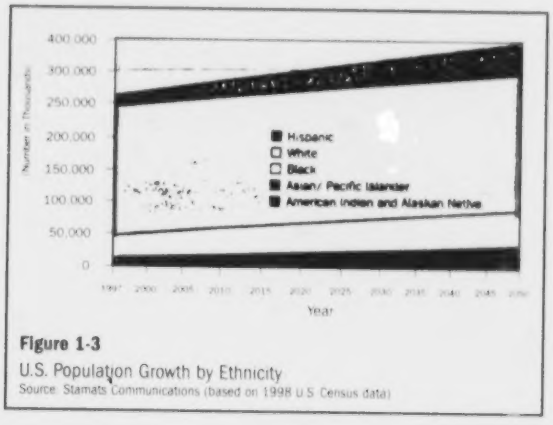

Figure 1-3
U.S. Population Growth by Ethnicity
Source: Stamats Communications (based on 1998 U.S. Census data)

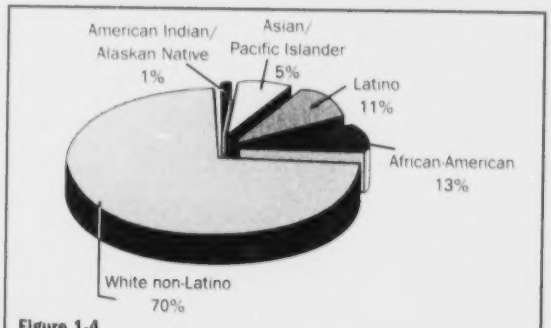

Figure 1-4
Public High School Graduates by Race Ethnicity
Source: Based on information from the Western Interstate Commission for Higher Education, 1999 (www.wiche.edu/PolicyInfo/High_School_Graduates/index.htm)

of blacks will grow slightly. Native Americans will see little real growth during this time.

Raw census numbers tell part of the story, but percentages tell more. By 2050, Hispanics will compose a full 25 percent of our population—up from 10 percent in 1997. Asians, meanwhile, will increase as a percentage of our population from 3.5 percent in 1997 to 8.2 percent in 2050. The percentage of Caucasians will drop from 73.3 percent to 52.8. Some demographers estimate that Caucasians will slip into minority status about the year 2060; at that time the United States will have more nonwhites than whites. Figure 1-4 shows rates of high school graduation by ethnicity.

But what do these demographic shifts mean? Obviously, in the immediate and foreseeable future, more people of color will attend college than ever before. This issue is both complex and emotionally charged: Whereas these shifts present students of color with the opportunity for unparalleled access to higher education, there are many questions about how this shift will affect the academy.

One clear impact will be an economic one. Current census and other economic and sociological data show that nonwhite students are much less likely to be able to afford full or significant portions of their tuition and are more likely to need financial aid. Even as administrators and faculty look forward to meeting these students' educational needs, they have serious concerns about who will be paying the bills.

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The second impact will be on higher education's character and composition. Nonwhite students are less likely to be residential and to attend school full-time. They are also more likely to attend public two- and four-year institutions rather than private ones. For colleges and universities dependent on full-time, residential students, the impact of this shift will be significant and ongoing.

Full-time vs. part-time

Closely allied with the age-related trend described in the sidebar below is that a high and steady number of students are now attending college part-time. (See Figure 1-5.) Not only are part-time students less likely to be involved in campus life activities, but they are much less likely to graduate on time, and much more likely to transfer. In fact, according to the April 1999 issue of *University Business*, some 35 percent of college graduates will attend three or more institutions before earning their bachelor's degree. We also know that an increasing number of college students will begin their career at two-year institutions and will move on to four-year institutions at a later time.

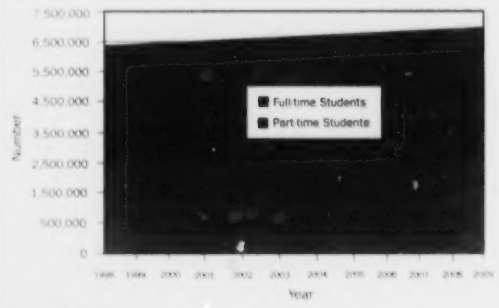

Figure 1-5
Full- and Part-Time College Attendance
Source: Based on information from the National Center for Educational Statistics *Digest of Educational Statistics 1999* (www.nces.ed.gov)

Increasing nonresidential nature

With the increase in older students and part-time students, it is not surprising that the percent of students living on campus is at an all-time low. A recent *New York Times* article estimated that only 20 percent of college students live

THE CONFLUENCE OF OLDER STUDENTS ATTENDING COLLEGE PART-TIME

The confluence of older, often part-time, students will impact colleges and universities in many subtle and not so subtle ways. While we know that these students enrich the learning experience for traditional students, and are often exceptional students, we also know that they are

- less likely to be involved in traditional campus life activities;
- less likely to attend school full-time;
- less likely to be residential;
- more likely to be involved in professional or pre-professional programs; and
- more likely to attend school during the late afternoons, evenings, and weekends.

We also know that these students will place very different demands on institutional infrastructures than the more traditional age students do. They will expect that financial aid, counseling, and business offices be open while they are on campus. Because many of them are commuters, they will want adequate parking facilities and more non-loan financial aid.

In addition to basic infrastructure issues, these students will place demands on traditional faculty who must respond with a willingness to teach at nontraditional hours and in nontraditional settings. In addition, many older students will want to be more involved in their learning—for example in designing their own curriculum—and will make this intention known.

There is another aspect to these students that traditional faculty and administrators may find particularly alarming. To many of these students, their definition of academic quality includes strong tenants of convenience. They may be less concerned with academic credentials and more concerned about whether or not the faculty member shows up on time. They want to be able to pay for their classes with a VISA card. They expect childcare. And they prefer to register, pay their fees, and buy their books in one building.

Finally, there is also increasing evidence that today's—tomorrow's—students will not make especially good alumni. Because they are less likely to be residential and to partake in traditional campus-life activities, and more likely to drop in and out, attend part-time, and transfer from one institution to another, they are not as inclined to feel strong loyalty to a single institution.

According to the 1999 *Chronicle of Higher Education Almanac*, 30 percent of all donated dollars came directly from alumni. Another significant portion came from alumni via the corporations and foundations where they work. Alumni loyalty plays a tremendous role in fund raising, and institutions will need to be much more innovative in their approaches to cultivating their alumni base.

in residence halls. This trend has staggering implications for the colleges and universities that serve traditional, residential students.

Galloping psychology of entitlement

Tomorrow's students, especially those of traditional age, are more likely to arrive on campus with what one sociologist terms "a galloping psychology of entitlement." More and more students believe that institutions owe them an on-time education even though they have trouble making decisions, keeping commitments, and assuming responsibility for their actions. I remember one president reminding me, "Tomorrow's students will be much like their parents, and their parents are people like us." Joked another president, "Our students want to take classes on Monday, Wednesday, and Thursday from 10 to 2. But this is OK, because this is when our faculty want to teach."

There seems to be no single reason for this heightened educational consumerism. Earlier we discussed students' increased willingness to transfer from one institution to another. We also know that older students are more demanding and, as more students pay an increasing portion of the cost to attend college (either directly or through longer-term loans), seem more willing to vocalize their demands and expectations.

In 1993, Arthur Levine noted in his *Change* article "Student Expectations of College" that

> the relationship these students want with their college is like the one they already have with their banks, supermarkets, and the other organizations they patronize. They want education to be nearby and to operate during convenient hours—preferably around the clock. They want easy, accessible parking, short lines, and polite, efficient personnel and services.

Mental and physical health issues

There is one final issue, perhaps the most troubling issue of all, that must be addressed. Some research shows that tomorrow's students—especially those of traditional age—will arrive on your campus with significant, often long-term physical and emotional health problems. They will come to your institution from broken or abusive homes. They will have been exposed to AIDS. They will be using more drugs, prescribed and illegal, than any previous generation of college students. And alcoholism and binge drinking will continue to be a problem.

To meet such needs, colleges and universities must be prepared to invest significant resources (time, money, and talent) in assessment, counseling, health services, and, unfortunately, campus security.

Let's close Trend 2 with an interesting study finding. Arthur Levine and Jeanette Cureton, writing in *When Hope and Fear Collide*, relate a study in which they asked University of Colorado students what adjective students would use to describe themselves. One of the most common choices was, "tired."

THE AMAZING IMPACT OF ASIAN STUDENTS

It is always dangerous to over-generalize data, in particular, demographic data. While each broad ethnic group masks tremendous subtleties and differences, the data shown in this chapter and census data suggest that, as an ethnic group, Asians are contributing to and involved with higher education to a greater degree than any other ethnic group. Consider just these two datasets:

- 42 percent of Asian Americans have college degrees vs. only 25 percent of whites, 13 percent of blacks, and 10 percent of Hispanics.
- Asians account for 29 percent of freshmen at MIT, 25 percent at Stanford, 20 percent at Harvard, 26 percent at the University of Chicago, and 19 percent at Cornell.

Trend 3: College cost

The third megatrend is economic and has multiple dimensions:

- Cost to attend college,
- Widening tuition gap between publics and privates,
- Falling family contribution,
- Tuition discounting,
- Shifting financial aid patterns, and
- Debt load of college graduates.

Cost to attend college

By any measure, going to college is expensive. The literature, both popular and professional, is replete with stories of soaring tuition costs that usually outpace the rate of inflation and the growth of the consumer price index (CPI), in some cases by a factor of two or more.

Figure 1-6 shows this rate of increase dramatically, with a 15-year overview of average tuition, room, and board charges at all U.S. colleges and universities.

The perception of college cost

The reality of college cost is bad enough, but many students and their families perceive college costs to be higher than they really are. Studies by the American Council on

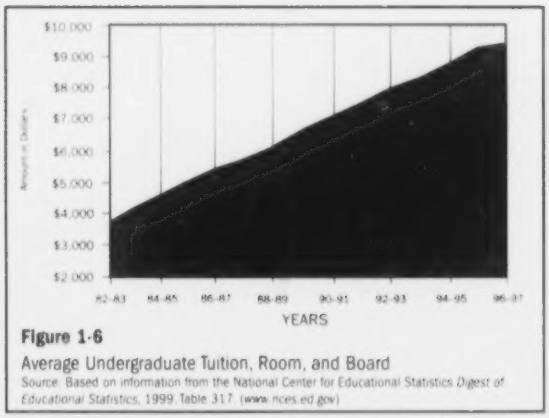

Figure 1-6
Average Undergraduate Tuition, Room, and Board
Source: Based on information from the National Center for Educational Statistics *Digest of Educational Statistics, 1999*, Table 317. (www.nces.ed.gov)

Education, the National Association of College Admissions Counselors, and other associations indicate that students and parents overestimate the cost of college.

Feeding this angst is the annual media blitz that accompanies the decision by colleges to raise their tuition each year. From *Newsweek* to *USA Today* to the *Washington Monthly*, we see such headlines as:

- Finally, Colleges Start to Cut Their Crazy Costs,
- Rip-Off! Inside the Higher Education Racket,
- $1,000 a Week—The Scary Cost of College,
- How Colleges Are Gouging U, and
- Tuition Races Ahead of Inflation—Again.

Certainly this alarmist presentation of college costs affects the rate at which high school students go on to college or what kind of college they might consider. Though the impact is difficult to measure, there is little doubt that more and more families believe, without really knowing, that attending college is outside their economic reach.

Because we are enjoying an exceptionally robust economy, some of the edge has been taken off the college cost debate. However, when the economy softens, we can expect this issue to rise again with a vengeance

Tuition gap

The second economic trend in college costs focuses on the widening tuition gap between public and private education. (See Figure 1-7.)

In 1997-98, the average tuition and fees for the 604 four-year U.S. public institutions was $7,628. For the 1,586 four-year privates, the average during the same period was $19,143. The tuition gap—the average public/private difference in price—was $11,516.

As college becomes more expensive, families of average and even above-average means, especially those with more than one college-bound child, will be increasingly unable to afford the cost. Simple, but painful, economic realities will narrow their range of options. Where they once might have sent their child to a private college or university, they now consider publics. Where students once attended four-year publics, they are now looking at two-year institutions, perhaps with plans to transfer into a four-year.

Falling disposable income

Because of the real evidence that the average disposable income of many families will continue to slide well into the 21st century, we cannot expect college costs to become more manageable. Even as a small group of families is becoming more affluent—especially those with two-wage earners—a much larger group is losing ground. By many estimates, the middle class is being squeezed. This is compounded by an increasing number of single-parent families. A colleague in financial aid at a Pacific Northwest college told me recently that she is not worried about the ability of affluent families to afford college and is even less worried about the institution's ability to help poor students. "What greatly concerns me," she said, "is our ability, and the interest of either the state or the federal government, to meet the financial aid needs of middle-class families. They are being pushed out of higher education, especially private higher education."

Cost of college as a percentage of family income

One of the more compelling datasets that illustrates this point occurs when college cost and household income are juxtaposed. Based on data compiled by the College Board, we discover that students from low- and middle-income families are using a disproportionate share of their household income to cover the cost of attending college. (See Figure 1-8.)

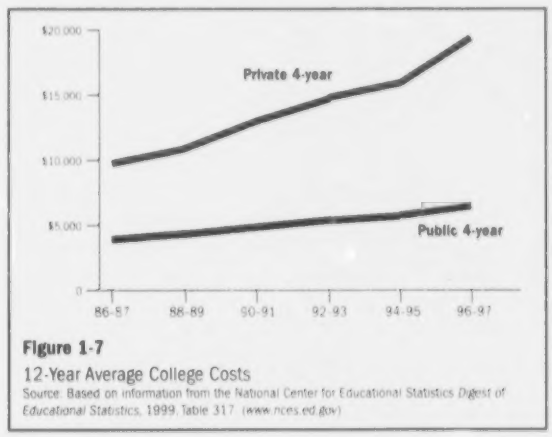

Figure 1-7
12-Year Average College Costs
Source: Based on information from the National Center for Educational Statistics *Digest of Educational Statistics, 1999*, Table 317. (www.nces.ed.gov)

The share of annual family income required to pay college expenses has increased for many families, but it has gone up most for the lower rung of the economic ladder.

Public four-year:

	Low income	Middle income	High income
• '79	39%	12%	5%
• '90	50%	14%	5%
• '00	61%	17%	5%

Private four-year:

	Low income	Middle income	High income
• '79	84%	26%	11%
• '90	134%	37%	14%
• '00	162%	44%	14%

Figure 1-8
College Cost as a Percentage of Family Income
Source: Based on information from the College Board, 2000 (www.collegeboard.org)

Private higher education

The high cost of college will hurt all colleges and universities, but private institutions will be especially hard hit. The tuition gap offers a long-term opportunity for publics and unless private colleges and universities are able to offer significant financial aid, families that traditionally sent their sons and daughters to private institutions might be in the future much more likely to choose public ones.

Family savings rates

This concern about college cost and the tuition gap is especially acute when a family has not saved significant dollars for their children's education. Though the quantifiable data are sketchy, there is every reason to believe that the rate at which families save for college has stagnated. A 1999 study by Stamats Communications, Inc., found, for example, that the average amount saved for college by families was about $5,700, yet some 78 percent of the respondents had saved significantly less.

These data are troubling. Families that have not saved enough will find their educational options severely constricted. They will be much more inclined in the future to choose a college based not on quality or program but on cost. The Stamats study also found that families consistently underestimate, by about 20 percent, how long it takes the average student to graduate from college.

Tuition discounting

Another potentially destructive economic trend is excessive tuition discounting: the amount, expressed as a percentage of the total tuition cost, a college or university discounts tuition by awarding institutional financial aid. For example, let's assume that a college charges $10,000 a year and recruits a class of 500 students. The tuition revenue, if everyone paid full tuition, would be $5 million. However, the college spends $1 million of its operating budget on financial aid. Therefore, the net tuition revenue is actually $4 million. The college has discounted tuition 20 percent. For all practical purposes, its tuition is really $8,000 a year. Here is the issue: It has discounted its tuition, but it has not lowered its costs to educate a student.

Table 1-1 below shows the rise in freshmen tuition-discount rates for public and private four-year institutions in 1995 and 1997.

Table 1-1
Tuition Discount Rate

Year and Type of Institution	Discount Rate
Public – 1995	3.9 percent
Public – 1995	5.4 percent
Private – 1997	27.4 percent
Private – 1997	30.1 percent

Source: Based on information from the USA Group Foundation (www.usagroup.com)

The idea of tuition discounting is not new; colleges and universities have been discounting since their inception. However, the degree of discounting has taken an alarming turn and more institutions are discounting tuition to a much higher degree. A number of private institutions now have tuition-discount rates of 35 percent and higher. This places a tremendous burden on the budgets of those institutions. Once tuition discounting begins, it is very difficult to end.

Excessive discounting is poor financial policy under the best of circumstances. However, it is especially problematic when the size of the freshman class is static. If your classes are shrinking, tuition discounting may put your institution in a financial straitjacket from which it may never recover.

Shifting financial aid patterns

As families struggle to keep up with rising tuition, room, and board costs, a dramatic shift in the ratio of grants to loans in the typical financial aid package is occurring. As Figure 1-9 indicates, in 1981 the typical package was about 55 percent grants and about 42 percent loans. Nearly two decades later, the typical aid package is 40 percent grants and 58 percent loans. As a result, more students are graduating with more, and often very significant, debt.

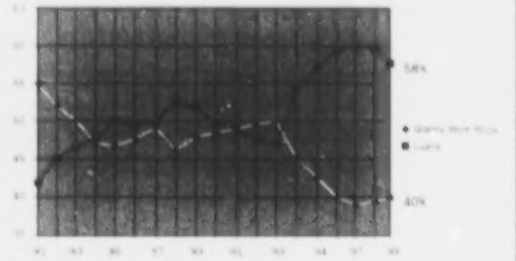

Figure 1-9
Percent Share of Grants vs. Loans, 1980-81 to 1998-99
Source: Trends in Student Aid: 1998, p. 12. ©1998 by College Entrance Examination Board. All rights reserved. (www.collegeboard.com)

Debt load of graduates

The final college cost trend is the debt load of graduates. In 1998, the median debt at all colleges—public and private—was projected to be $13,700. (See Table 1-2.) There is considerable evidence that the debt for students attending a private institution is much higher—some say nearly double the median.

Although this debt is troublesome for several reasons, one problem stands out: students who are initially interested in social work, education, and the ministry are looking at their potential debt and opting for majors and careers that are more lucrative. Thus debt penalizes not just students, but society.

One final comment about graduate debt load. A couple of years ago, I met with the president of a top private college in New England. He relished his college's ability to run a yearly budget surplus of $1.3 million. Earlier, the institution's financial aid office told me its graduates owed, on average, $7,300 in loans. I discovered that the college graduated about 170 seniors each year. I asked the president if he was aware that the amount of his budget surplus was strikingly similar to the amount owed by his graduating class (170 students times $7,000 per student equals $1,241,000). He said there was no relationship between the budget surplus and the debt load of his students. "Good financial management on our part," he said, "and poor financial management on theirs."

Table 1-2
Median Student Debt of College Graduates

Year	Percent With Debt	Median Debt
1977	34.0 percent	$ 2,000
1980	34.9 percent	$ 2,500
1984	44.8 percent	$ 5,000
1986	50.1 percent	$ 4,800
1990	45.0 percent	$ 7,000
1994	53.3 percent	$ 9,100
1995	59.1 percent	$10,150
1996	63.4 percent	$11,200
1997*	66.2 percent	$12,900
1998*	68.4 percent	$13,700

*Projected

Source: USA Today. Reprinted with permission.

Colleges respond to high cost

Colleges and universities are responding to higher tuition in a number of ways. In addition to undertaking strategies to reduce the rate of increase, colleges and universities are doing the following:

- Discounting tuition;
- Shortening time to degree;
- Guaranteeing graduation rates;
- Developing creative pricing strategies including tuition freezes, guaranteed rates of increases, and even tuition rollbacks;
- Undertaking financial aid leveraging; and
- Developing pre-paid college tuition programs.

At the same time, colleges and universities are undertaking strategies to target and recruit more affluent students.

The Chivas Regal effect

In some cases, colleges seek to heighten image and prestige with the understanding that families will pay more to attend a well-known, highly regarded institution. Bruce Hammond, who is writing a book about how to afford college, terms this the "Chivas Regal effect." Hammond

CREDIT CARDS ON CAMPUS

We are fully aware that the cost of college may be a difficult hurdle for some individuals and families to overcome. What we may not anticipate, however, is how much consumer debt–especially credit card debt–students may be juggling even as they try to pay their college bills. According to a study by Nellie Mae, between the mid-70s and 1997, the average credit card debt among undergraduates rose from $1,879 to $2,226 and the number of undergraduates with debt over $7,000 doubled, from 5 percent to 10.

says the most prestigious schools keep prices high because they can. "Everyone else can either raise their prices and be affiliated with the elite," he says, "or they can make their prices lower and be second rate."

It sometimes seems like every college or university board in the country has at least one member who seems to think that simply raising tuition will solve their cash flow problems. There is no data, however, to suggest that this singular strategy is sound. In fact, raising tuition without concomitant increases in institutional quality and image enhancement will likely backfire.

A market-driven emerging typology

Chester E. Finn, Jr., writing in *American Outlook*, has introduced another typology, this one by educator William Massey, that appears, at least at one level, to recognize the Chivas Regal effect. According to Massey, institutions break down into three broad categories:

- Brand-name: selective, high status, affluent, cater to traditional full-time students that have traditional academic values. This group comprises such institutions as Duke, Berkeley, and Kenyon.
- Mass providers: mix of traditional and professional degrees, more part-time students, less selective, less status. This group comprises such institutions as Central Michigan University, Bradley University, and the University of Portland.
- Convenience institutions: highly user-friendly, focused on job-minded students, more adults, both for-profit and nonprofit institutions operated like a business. This group comprises such institutions as the University of Phoenix, Yakima Valley Community College, and Motorola University.

Trend 4: Increased competition for donated dollars

This next megatrend has two dimensions: the greater competition for gifts, and the shift from private colleges and universities receiving the lion's share of corporate gifts to public institutions receiving them.

If it seems that everyone is fund raising, it's because everyone is. In 1997, 26,000 new charities appeared, and the nonprofit sector has expanded four times faster than the economy in each of the last 25 years. Nonprofits account for nearly $1 trillion in assets—that's 6 percent of the GNP—and employ one out of every 18 workers. Nonprofits hire cultivators, demographers, and prospect researchers. They analyze databases, zip codes, and giving patterns. They hold dinners, telethons, and sweepstakes. And they rake in billions and billions of dollars.

Often, however, solicitations from colleges and universities are lost in the shuffle. In fact, I asked a friend who graduated from Stanford and lives on the West Coast to keep a year-long tally of how many times he was contacted by telephone and mail for donations. After 300 he quit counting. Asked if Stanford had been in touch, he said, "How should I know? I couldn't keep track of it all."

The competition for donated dollars shows how public institutions are making their mark. Over the past 45 years, as publics began to flex their fund-raising muscles, a steady shift of funds from private to public has occurred. In the mid 50s, publics received about 18 percent of donated dollars. In the mid 90s, publics were receiving more than 50 percent. The percentage given to private higher education will continue to slide as publics continue to make their case for support.

Trend 5: Changing college curriculum

The curriculum is one of the most holy of all grails. Aside from discussions of tenure or academic freedom, few issues are able to galvanize and polarize faculty members and administrators more quickly than curriculum. The changing nature of the college curriculum is addressed in the following five themes:

1. Confusion over the liberal arts;
2. Increased professional, pre-professional, and technical nature of curriculums;
3. Shortening/lengthening time to degree;
4. Redefinition of academic quality; and
5. Increased tensions between faculty groups.

Confusion over the liberal arts

Each year, the Carnegie Foundation counts the number of Baccalaureate I (Liberal Arts) colleges. At the close of 1999, there were about 170 of them. However, as many as half of the colleges and universities in the United States, or about 1500, describe themselves, at one level or another, as liberal arts. This signals a confusion in the marketplace, and perhaps on our campuses, over what it means to be a liberal arts college.

What are the liberal arts, anyway?

In 1996, Richard Hersh, president of Hobart and William Smith Colleges, published a short monograph, *Intentions and Perceptions: A National Survey of Public Attitudes Toward Liberal Arts Education*. Perhaps one of the most telling findings was how few people (parents,

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high school students, business executives, faculty and administrators, university graduates, and graduates of liberal arts colleges) really knew what the liberal arts were all about. (See Figure 1-10.)

According to Hersh, when asked what a liberal arts education means to them, responses centered most often on "providing a broad introduction to a wide variety of academic disciplines/well-rounded education." He discovered slightly more than four in 10 high school students (44 percent) and one in five parents (19 percent) were not able to give any answer at all. Only a small number indicated a liberal arts education "teaches students how to think on their own."

Some of Hersh's other findings are summarized in the following statements:

- Other than faculty members and liberal arts graduates, few groups have overtly positive feelings toward a liberal arts education.
- Most people believe you can get a liberal arts education anywhere—it's not unique.
- Students and parents overwhelmingly believe the reason to go to college is to prepare for a prosperous career.
- More than one third of parents consider liberal arts education a luxury beyond their reach.
- Belief in the importance of a college education is significantly lower among high school faculty and administrators than in society at large.

Hersh says the findings suggest the

> ... unique nature, purpose and character of liberal arts education ... are not well defined for most stakeholders in our survey. All agree on the importance of higher education for the future and on the main goals of a college education. But when thinking of higher education, Americans seem to be operating in a narrow framework of 'vocation' versus 'learning for learning's sake,' an understandable but false dichotomy. The goals traditionally espoused by small liberal arts colleges are seen positively, but are not seen as unique to them. Moreover, the context to learn about business, thought to be necessary by parents and CEOs for tomorrow's world, is perceived to be missing in liberal arts colleges.

Some evidence suggests the decline in the liberal arts is part of a larger decline in people's appreciation for knowledge. Arthur Krystal, as quoted in the July/August 1999 issue of *University Business*, notes, "Many people today couldn't care less about not knowing things ... In point of fact, there is a growing resistance to facts: from boardrooms to cocktail bars, educated and well-read people, people who would characterize themselves as informed, are simply unrepentant about not knowing things that do not reflect their interests. No one is claiming ignorance is bliss, but few are apologizing for it."

	Parents	High School Students	Business Execs	Faculty/ Admin.	Univ./Spec. School Grads	Small Lib Arts Grad
	%	%	%	%	%	%
Very Familiar	27	14	54	70	32	86
Somewhat Familiar	46	42	40	27	45	14
Not Familiar	27	44	6	3	23	0

Figure 1-10
Familiarity with a Liberal Arts Education
Source: Richard Hersh, *Intentions and Perceptions: A National Survey of Public Attitudes Toward Liberal Arts Education*. Reprinted with permission.

Increased professional, pre-professional, and technical nature of curriculums

Closely allied with the confusion—and even decline of the perception of value—over the liberal arts is the increased emphasis on professional, pre-professional, and technical programs at America's colleges and universities. In part, this is a byproduct of our increasingly technical society.

Consider the following, based on Stamats research and ongoing observation:

- The largest major on most campuses is business.
- The fastest growing majors are allied health, technology, and business.
- The greatest number of faculty vacancies are in the business, allied health, and technology areas.
- The fastest growing "fee" on campus is for technology, i.e., computer hardware, software, and access and network support.

Shortening/lengthening time to degree

In the United States, it takes an average of 4.3 years to earn a bachelor's degree. At some institutions, particularly large multiversities, it can take even longer. It is not surprising that time to degree is increasing for some students, especially for older students and part-time students. What is surprising is that time to degree is actually shrinking for another cohort: talented, full-time students. This is especially true for students who are academically talented, arrive on campus with significant advanced placement credit, are certain of their major from the beginning, and take advantage of quality advising.

In addition to students shortening their time to degree, we are seeing a number of colleges and universities

offering three-year bachelor's degrees and four-year BA/MA combinations.

According to the Peterson's College Quest Web site, some 150 colleges and universities offer at least one three-year degree.

Redefinition of academic quality

Historically, a definition of academic quality focused on four variables:

1. The quality of the faculty,
2. The quality of the student,
3. The quality of the curriculum, and
4. The quality of the facilities.

Incumbent upon this definition of academic quality was another variable: seat time. Traditional faculty, often teaching traditional students, believed strongly in the traditional approach to learning: faculty standing before students for significant periods of time. However, today's students, especially adult and part-time students, do not all share this traditional definition of academic quality. In fact, their definition of academic quality often centers on issues related to access, convenience, and speed. In some cases, the availability of parking is as important as who is teaching a class.

Increased tensions between faculty groups

Changes within and outside the academy have increased the tension in academic governance. It may surprise some to learn that the tension is not just between faculty and administrators, but among faculty. For example, tension between the humanities and professional faculty is common.

Today many campuses are experiencing another division: the split between older and younger faculty as they all attempt to sort out curriculum, budgets, teaching loads, and academic recognition. Instead of two broad camps (humanities and professional) that recognized, with a degree of civility, the historic underpinnings and tradition of each, four camps and a decline in civility are emerging as faculty scramble to grab and preserve their share of the academic pie.

This tension is increasingly becoming commonplace as younger faculty, without tenure, teaching in disciplines with greater enrollment, find themselves at odds with older, tenured faculty who have the senior positions in the governance structure. This divide will likely continue to widen.

Trend 6: Growing competition from non-traditional colleges

This trend is actually the logical confluence of several other trends including these:

- Technological innovation and the rise of asynchronous learning;
- A redefinition of academic quality that challenges the idea that traditional colleges and universities and traditional learning styles are the only means to an education; and
- A labor market increasingly willing to hire graduates who are products of "alternative education."

As noted in the April 1994 *Pew Policy Perspective* article, "To Dance with Change," the high-stakes battle among corporate giants for control of the emerging information and entertainment networks demonstrates to for-profit companies just how important it has become to control the enabling technologies and the new markets they will spawn. These battles, often portrayed as modem soap

CONSTRICTING FINANCIAL RESOURCES

One outcome of a confluence of the economic trends discussed in this chapter is a narrowing financial base. We know while college budgets are increasing, the actual number of discretionary dollars available on campuses is at an all-time low. Because many colleges and universities have very little liquidity, they will be unable to respond quickly to a crisis or an opportunity. One president once told me that he has about "five degrees of freedom." In other words, he said, only about 5 percent of each budget is discretionary. The rest is contractually committed to someone or something.

The assault on most college and university donor bases should also be noted. It is not unreasonable for hundreds of agencies, organizations, and causes to contact prospective donors each year, all seeking money. The ability of the college or university to maintain a relationship with its donors, particularly its non-alumni donors, will be even more difficult in the years ahead.

Public institutions have a couple of unique challenges of their own. While they are less and less publicly funded, they are always publicly owned. This makes for some very interesting policy issues as public colleges and universities seek to increase revenue from recruiting. Most states charge out-of-state tuition and many institutions are eager to recruit out-of-state students because of the extra dollars they bring. However, these same institutions are often lampooned in the state legislature for disregarding in-state students.

In most funding models, the tuition dollars generated by a public institution are returned to the state. Fee dollars, however, generally stay on campuses. In many cases, it is in the best interest of the public institution to avoid increases to tuition and develop an aggressive fee increase strategy. The low tuition helps preserve the widening gap between public and private tuition thereby supporting recruiting.

operas for an electronic age, reveal that there is big money to be made in controlling the electronic networks and the programming they will deliver.

It is the prospect of delivering high-quality, lower cost educational programming conjoined with the rising demand of postsecondary credentials that creates the business opportunity for higher education's competitors. What telemarketing and phone banks did for catalog sales, what QVC did for shopping, and what ATMs did for banking, the information superhighway is doing for distance learning and higher education.

Two of examples of this growing trend are virtual universities and corporate colleges.

Virtual universities

For our discussion, a virtual university is likely to

- Have synchronous *and* asynchronous learning;
- Be affiliated with or sponsored by a more traditional institution;
- Seldom offer complete programming on the Web. (Web courses augment traditional coursework); and
- Rely heavily on adjunct or part-time faculty.

Perhaps the most widely known virtual university is the University of Phoenix. Founded in 1978, it is a wholly owned subsidiary of the Apollo Group, which is a publicly held company trading for $24.12 per share in early 2000, whose major shareholders include, among other institutional investors, TIAA-CREF.

Accredited by the North Central Association of Colleges and Schools since 1978, the University of Phoenix had a total enrollment of 61,000; up some 20 percent from the previous year. The university has about 51 campuses and 80 learning centers in 35 states, Puerto Rico, and Vancouver, B.C. The university employs 45 full-time faculty (this allows for a breathtaking 1,500:1 student faculty ratio) and another 4,500 adjunct faculty (who are mostly full-time professors at more traditional institutions.) The library at the University of Phoenix is comprised entirely of journals and articles—no books—all available online.

The next major entrant on the virtual university scene is Jones International University founded in 1993 by Glenn Jones, a cable pioneer and founder of more than 20 technology and Internet companies. Billing itself as the "University of the Web™," Jones, like the University of Phoenix, was accredited by North Central. While Jones is a new player in the higher education arena, everyone expects more Jones-like institutions will follow. (See Jones International University's home page at *www.jonesinternational.edu*.)

The most unusual and aggressive player to launch a VU is Kaplan—the test preparation people. According to Margaret Littman in the September 1998 *University Business*, Kaplan announced the launch of Concord School of Law. Even as the new law school navigates the path toward legitimacy—that may or may not include a bow toward accreditation—some 6,000 students have expressed interest and the first cohort of 125 students started class via streaming video and online discussion sections.

The idea of a virtual university is not limited to private enterprises. The state of California tried a virtual university of sorts. Now the publicly-funded virtual university mantle has been appropriated by Western Governors University, a consortium of more than 15 universities in 15 states. Predictors say the emerging institution will serve 95,000 students and have revenue of $126 million by 2005. However, recent analysis of this venture reveals that WGU is not living up to its short-term expectations because, some believe, it is no longer innovative and has lost its initial inertia.

Corporate colleges

As America's companies increasingly rely on highly-trained employees, and as more companies view ongoing employee education not only as a shrewd investment but as an employee benefit, it is only natural that the larger companies, or consortiums of smaller companies, establish corporate colleges. By 1996, there were more than a thousand corporate colleges in the United States with annual expenditures of $1 billion. Sam Dunn expects those 1,000 corporate universities to double by 2025.

Some examples of corporate universities include Microsoft University, Arthur Anderson, General Electric, and Harley Davidson University.

Says Dolence,

> Even as the corporate Ivy's and Big Business Big Ten boost their endowments, it's clear that a countercultural trend is emerging. Intranets, CD-ROMs, and on-line for-profit ventures like ZD University … are spawning just-in-time educational offerings for corporate employees. The Harvard/Stanford model is yielding to the Wal-Mart/Amazon.com get-it-when-you-think-you-need-it model. In other words, many corporate universities are devolving into telecommuter community colleges—albeit without the community.

Trend 7: Changing societal expectations

Two anecdotes reveal how out of sync colleges and universities can appear to the public at large. The first is drawn from a personal experience. The second is from *Trusteeship*.

As part of a campus visit, I listened to a middle-aged history professor present a lecture during which he mentioned it was likely that everyone in the room would have at least seven different careers in their life. After the lecture we met for a few minutes and he asked if I was going to help the college recruit more history majors. I said the likelihood of recruiting enough history majors to maintain the present program was doubtful. As he launched into the standard, "if students knew how good we were" lecture, I mentioned it seemed ironic how just a few minutes ago he was telling his students they would have seven careers, but somehow he thought he should only have one.

The other anecdote is presented by Mark Emmert, a high-level administator at a college. Writing in *Trusteeship* in the July/August 1998 issue, Emmert recalled an experience a few years ago,

> I was making a presentation on our new strategic plan to a group of business leaders—all good friends of the university, all eager to learn what we were doing and how they could help. The most pressing issue on my mind, however, was a persistent budget shortfall that required painful cuts and resource reallocation. I went on at some length about our serious financial problems, the extremely complex university environment that hampered balancing the budget, and the hand wringing occurring across the university. In other words, I was whining.
>
> As I continued, one businessman's body language betrayed his growing impatience. Finally, he could stand it no more. He interrupted me with obvious frustration. 'I want to make sure I understand this,' he said. 'From my point of view, you are in a business where you have nearly complete control over what you teach, how you teach it, who teaches it, and what you pay those people to teach. You have more qualified people wanting to work for you than you could possible hire, and you have customers who fill out forms and pay money just to see if you will allow them to buy your product. You're telling us that despite all this managerial control, you can't handle a four percent revenue shortfall? Do you understand why that makes absolutely no sense to business people? If I didn't restructure to deal with revenue shortfalls or respond to changes in the market, my company would be out of business!'

These two anecdotes sum up what many—especially those not directly involved in the academy—feel about colleges and universities and their faculties and administrators. They view them as out of touch, unresponsive, isolated, and increasingly anachronistic.

This downhill slide of public opinion has been long term. Ronald Salluzzo and Gregory J. Baroni noted that in 1966, 61 percent of Americans had a favorable impression of higher education. By 1994, the number dropped to 25 percent. As college and university faculty and administrators attempt to reconcile their views of the academy with those held by outside publics, one is reminded of the words of Robert Burns:

> *O wad some Power the giftie gie us*
> *To see ourself's as others see us!*

One such "other" is Peter Drucker, marketing guru. In a now famous 1997 *Forbes* interview by Robert Lenzner and Stephen S. Johnson, Drucker said,

> The current (educational) set-up is doomed, at least so far as higher education is concerned. Thirty years from now the big university campuses will be relics. Universities won't survive. It's as large a change as when we first got the printed book. Do you realize that the cost of higher education has risen as fast as the cost of health care? And for the middle-class family, college education for their children is as much a necessity as health care—without it the kids have no future. Such totally uncontrollable expenditures, without any visible improvement in either the content or the quality of education, means that the system is rapidly becoming untenable. Higher education is in a deep crisis. Crisis means that things will get much different. It took more than 200 years (1440 to the late 1600s) for the printed book to create the modern school. It won't take nearly that long for the big change. Already we are beginning to deliver more lectures and classes off campus via satellite or two-way video at a fraction of the cost. The college won't survive as a residential institution. Today's buildings are hopelessly unsuited and totally unneeded.

There is no one, easily understood, and remedied reason for this decline in public opinion. The fault, if there is one, flows from multiple sources and hinges on the changing and ever expanding mission of higher education and the tension between institutions, their internal stakeholders, and the public at large.

Trend 8: Shift in power structures

More than 250 years ago, and for a long period afterward, colleges had one overarching purpose: the training of ministers and teachers. Since then, things have gotten more complex. Now colleges and universities are centers of

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THE MONOPOLY OF HIGHER EDUCATION IS ABOUT TO END

Higher education is about to become a deregulated industry, with all the turmoil and angst deregulation has inflicted on other industries. As long as learning depended on libraries, labs, lecture rooms, and professors who were the resident authorities, we had a monopoly. Higher education is self-accrediting, but it is also self-credentialing in terms of graduates. This is about to change. The University of Phoenix awards accredited degrees. It is one of five for-profit institutions quoted on the NASDAQ. Last year, it enrolled 60,000 students, and its profits were $33 million in 1997. Its price-to-earnings ratio is 50, which makes it a glamour stock. And there are others.

The group of for-profit universities is dwarfed, however, by distance education. Eleven different nations have distance-learning universities with more than 100,000 students. In Turkey, for example, Anadolu University has 530,000 students, and the cost of instruction for those students is one-tenth of the cost of instruction at conventional universities. And lest it be immediately assumed the quality of those programs is inferior, a recent study ranked Britain's Open University—which has 157,000 students and operates at 50 percent of the cost of a traditional campus—10th out of 77 traditional universities in the quality of its programs. And in all this, traditional bricks and mortar colleges and universities would prefer to join the Cyber League over the Ivy League. From 1993 to 1997, the number of cyber schools grew from 93 to 762. They now enroll a million students, compared with 15 million in traditional higher education.

--Frank T. Rhodes,
"Speedbumps on the Road Ahead," *Trusteeship* May-June 1999.

learning on hundreds of subjects. Many conduct basic and applied research. They are expected to generate economic growth. Their faculty members are increasingly political and in the eyes of many, self-serving. The budgeting process and allocation of resources are sometimes contentious. There is a greater demand for accountability. There is, it seems, a tremendous mismanagement of expectations that tend to come from the following stakeholders:

- Taxpayers,
- State funding authorities,
- Federal government,
- Students (and their families),
- Faculty,
- Employers and business leaders,
- Alumni, and
- Donors and foundations.

Daniel Rowley et al., in the book *Strategic Change in Colleges and Universities: Planning to Survive and Prosper,* argue that each of these constituencies has had some claim on the institutions of higher education for a long time. In the past, these groups allowed the academy to conduct its affairs without interference. It was generally accepted that the academy was a special place where the intellectual pursuits of a respected faculty produced high-quality and much needed research, offered the world's best education, and served as a beacon for the improvement of knowledge, technology, and the American dream. These functions were self-justifying and no one seriously questioned what colleges or universities did, or how they did it.

The internal result of this acceptance, say Rowley et al., was that some faculties and administrations took academic freedom as a shield for autonomy and disconnection from the publics they served. While this is an oversimplified caricature, some faculty members and administrations began to see themselves as special and not accountable to the same market forces as other individuals and entities. This ivory tower perception distanced scholarship and its good consequences from a disconnected public.

Milton Greenberg, writing in *Tasks for Higher Education Accreditation,* remarked, "The process by which higher education sustains itself certainly is business and it is the business of those who pay for it.... Demands for greater public accountability of campus expenditures and for assessment of education outcomes will intensify."

Growing power of campus and noncampus stakeholders and publics

While it is always dangerous to oversimplify, Table 1-3 highlights some key stakeholders concerns.

Trend 9: "Blur"

In 1997, Robert Kriegel and David Brandt wrote a wonderful book with an odd title, *Sacred Cows Make the Best Burgers.* The book was about how to enable change-ready

SEAT TIME VS. EDUCATIONAL OUTCOMES

Seat time is a major issue on many campuses. A September 1998 *Pew Policy Perspective* article, "A Very Public Agenda," reported on the need to "end seat time as the principal certifier of educational mastery.... Probably the most important revolution on higher education's horizon is the shifting from processes to outcomes—from asking, 'What courses did you take and pass when you were in college?' to asking, 'What do you know and what can you do?'"

people to create change-ready organizations. Toward the end of the book they introduced a term, "change fatigue." I understand that term. I feel it in my bones. And I suspect I am not alone.

One of the most surprising and bewildering trends is the rate of change in our society, our organizations, and our lives. As odd as it sounds, change is the only constant and this puts colleges and universities in a real dilemma. Not only must they respond to more differing expectations, but also they must respond to these expectations quicker than ever.

Regis McKenna introduces the idea of the never-satisfied customer in her book, *Real Time: Preparing for the Age of the Never Satisfied Customer.* I once joked at a workshop that higher education has moved from the never-satisfied faculty member to the never-satisfied student and we were now on the cusp of the never-satisfied donor. After the session a president came up and told me that I had articulated something she had felt for a long time.

The technophiles say the processing rate of chips doubles every nine months while their cost lowers by one-third. Our research librarians say the amount of knowledge in the world doubles every four or five years.

In the old days, we waited for the book. But then journals made many books obsolete. Now the Web makes information instantly available. Where we once wrote let-

16 PREDICTIONS

Every now and then you run across an article that really opens your eyes. One such article is Sam Dunn's "The Virtualizing of Education" in the March-April 2000 issue of *The Futurist.* Not only does Dunn present a thoughtful overview of distance and virtual education, but he also makes 16 sometimes breathtaking predictions for higher education. Even if you do not believe some of them, the combined weight of these 16 portend amazing changes, challenges, and opportunities for today's colleges and universities. His predictions are as follows:

1. The number of degree-granting institutions will continue to grow, while the number of traditional campuses will decline. By 2025, half of today's existing independent colleges will be closed, merged, or significantly altered in mission.
2. University degrees and programs at all levels will be available by information technologies from all quality levels of educational institutions.
3. Courseware producers will sell courses and award credits directly to the end user and thus, through intermediation, bypass the institutional middleman.
4. There will be two principal types of degree- and certificate-granting institutions: value-added and certification institutions.
5. The distinction between distance and local education will be blurred. Almost all courses will be digitally enhanced. There will be a small group of colleges that will carve out a market niche by maintaining "live faculty instruction" in their course delivery.
6. Seamless education between high school, undergraduate college, and graduate programs will be the norm. Incentives will be given to students and institutions to move students through their programs at a fast rate.
7. The home-school movement will lead to a home-college movement.
8. The remaining campus-based colleges and universities will increasingly move to responsibility-centered management and will outsource many functions now done by the institution.
9. Cities will expect colleges and universities to pay taxes or a "voluntary equivalent" for services rendered by the city.
10. The U.S. government will continue to certify institutions for access to student financial aid. By 2010, the number of eligible institutions will jump from about 7,000 at present to more than 10,000.
11. Faculty in traditional colleges and universities will revolt against technological delivery of courses and programs and against the emerging expectations for faculty. Unionization and strikes will increase as faculty fight a rear-guard action to try to slow down or stop the inevitable.
12. Accreditation and program approval will be based more on educational outcomes. Testing programs will be put in place by discipline organizations, federal and state governments, corporations, and testing companies. Large corporations will develop their own approval systems. By 2025, there will not be one national accreditation system, although the U.S. Department of Education will provide a basic safety net for quality.
13. The big growth in adult and postsecondary education will be in degree and certificate programs for older adults. To be viable in the information society, the typical adult will need to take at least 30 semester credits every 10 years.
14. By 2005, there will be "killer" courseware applications covering the 25 college courses that enroll 50 percent of all credits.
15. Consortia of colleges, universities, and other kinds of institutions will increasingly band together to produce and deliver courses for students in their member institutions. Many of these consortia will seek their own accreditation and approval.
16. The distinctions between and among public and private, for-profit and nonprofit institutions of higher education will largely disappear.

Table 1-3
Stakeholders' Concerns

Stakeholders and Constituents	Issues of Concern
Taxpayers	Interested in accountability. Question relevancy of many college activities. Want to know why faculty don't teach and why John and Joan can't read or think critically.
State funding authorities	Interested in control. Often cite desire to reduce duplication of programs and costs and to use budgetary whip.
Federal government	Concerned with issues of access and diversity. Uses budgets and federal financial aid policies as levers.
Students and their families	Deeply concerned about cost, non-loan-based aid, and time to degree.
Faculty	Senior faculty want to maintain status quo. Older faculty seem to reduce arguments about change to issues of academic freedom and quality. Younger faculty are sometimes more flexible, and often at odds with older faculty in more powerful positions. Governance issues erupting.
Employers and business leaders	View colleges and universities as economic engines generating graduates who can quickly move into the labor market. Concerned about the lack of technological skills among graduates from mainstream colleges and universities.
Alumni	Want change, but not to their alma mater. Expect (even demand) colleges and universities to increase the value of their credentials.
Donors and foundations	Less inclined to give unrestricted dollars. Giving increasingly dependent on two key issues: vision of the institution and quality of planning and management. More interested in giving to vision for the future than historic legacies. Interested in accountability—how was the money really spent and what gains were achieved?

ters, and then spoke on the phone, we now have email. Not necessarily better communication, but certainly faster. Speed is everything.

Higher education has entered what Stan Davis and Christopher Meyer call "blur." They write in their book, *Blur: The Speed of Change in the Connected Economy*,

> Has the pace of change accelerated way beyond your comfort zone? Are the rules that guided your decisions in the past no longer reliable? If so, you are just like everyone else who's paying attention. You're not imagining things. The elements of change that are driving these momentous shifts are based on the fundamental dimensions of the universe itself—time, space, and mass. Since the economy and your business are part of the universe, time, space, and mass are the fundamental dimensions of them as well. Until recently, this notion was too abstract to be very useful. Now, we are realizing the extraordinary power this insight has for the business world. Almost instantaneous communication and computation, for example, are shrinking time and focusing us on speed.
>
> Connectivity is putting everybody and everything online in one way or another and has led to 'the death of distance,' a shrinking of space. Intangible value of all kinds, like service and information, is growing explosively, reducing the importance of tangible mass. Connectivity, Speed, and Intangibles—the derivatives of time, space, and mass—are blurring the rules and redefining our businesses and our lives.
>
> The fact is, something enormous is happening all around you, enough to make you feel as if you're losing your balance and seeing double. So relax. You are experiencing things as they really are, a 'blur.' Ignore these forces and 'blur' will make you miser-

> able and your business hopeless. Harness and leverage them, and you can enter the world of 'blur,' move to its cadence and once again see the world clearly. What will you see? A meltdown of all traditional boundaries. In the 'blur' world, products and services are merging. Buyers sell and sellers buy. Neat value chains are messy economic webs. Homes are offices. No longer is there a clear line between structure and process, owning and using, knowing and teaming, real and virtual.

In response to this blurring society, educational institutions must evaluate their decision-making processes. Institutions are asked to give up the too expensive luxury of endless meetings and eternal debate. Instead, colleges and universities need to develop what I call a culture of "Now!"

A culture of "Now!"

A culture of "Now!" has seven characteristics. First, administration needs to encourage entrepreneurs, causes, and ideas. People should feel like they are on teams rather than committees. Champions step forward. Leaders have followers. Things happen, some great, some not so great, and many unexpected. A feeling of expectation pervades the campus.

Second, risk taking is encouraged. Commitment to the status quo, not failure, is discouraged. Third, an attitude of immediacy is everywhere. Deliberation and debate are still valued, but undue deliberation and debate are not. Talk. But talk quickly.

Fourth, institutions with a culture of "Now!" understand they cannot afford perfect decisions. They realize they have neither the time nor the money to assess and consider every contingency. The goal should be a string of pretty good decisions made in a timely fashion. Market-oriented institutions understand their future is a series of zigs and zags—missteps and corrections toward a generalized goal.

Fifth, while consensus is valued when it occurs, it is not expected, and when it doesn't occur, the institution still moves forward. Institutions with a culture of "Now!" recognize that disagreements, even conflict, are normal. Some people and departments will expand their horizons, and others will find theirs eclipsed. Market-oriented institutions make no guarantees that stakeholders will be happy and secure. In fact, this is not a goal. Enhancing the institution's ability to meet the needs of its customers is.

Sixth, the focus becomes fixing problems rather than affixing blame. On too many campuses senior administrators blame junior administrators and everyone blames the faculty. Colleges and universities cannot afford this preoccupation with blame. Acknowlede your mistakes, isolate the mechanisms that failed, and then make adjustments or corrections and move on.

And finally, colleges and universities with a culture of "Now!" have a strong sense of individual and group accountability.

A summary of expectations

We have covered a great deal of ground on changes occurring in higher education. We can expect the following:

- A breath-taking array of technological options that will radically transform education. These technologies will allow campuses to skillfully blend synchronous teaching-learning between faculty and students with asynchronous teaching-learning done at the students own pace and time;
- A growing need to reconcile new managerial values with traditional academic values;
- Significantly increased competition for all students, but especially students of color, talented and gifted students, students who wish to attend college full time, and students who wish to live in a residence hall;
- Increased conflict between younger and older faculty and faculty in professional programs and those in traditional liberal arts, as colleges and universities attempt to apportion resources;
- Significantly increased competition for donated dollars, especially unrestricted donated dollars;
- Significantly increased competition of public and media attention;
- Continued movement away from a provider-driven paradigm to a consumer-driven paradigm; and
- "Blur."

From caveat emptor (buyer beware) to cave emptorum (beware the buyer)

So, what do all these trends mean? While the exact details and nuances will be debatable for years, the sum is this: Higher education has moved from a provider-driven to a consumer-driven model.

Up to now, colleges and universities, and the faculty and administrators that run them, have largely made decisions for students and the marketplace without actually involving the marketplace. This paradigm dictated decisions about what courses were taught and when, and what

majors were developed or discarded. (The exceptions to this statement would be the well-managed community college and regional public.)

Over the last couple of years, an incredible paradigm shift has occurred as the power of faculty and administrators eroded and the marketplace began to assert itself. As colleges and universities increasingly compete for valuable resources, the consumer-driven model will become even more pervasive.

We have moved, it appears, away from *caveat emptor* to *cave emptorum*. It is no longer buyer beware, but beware of the buyer.

How competition for critical resources forces adaptive behavior

This chapter focuses on increased competition for key resources including students, donated dollars, media and public attention, and others. It explores how increased competition has caused many colleges and universities to move from a provider-driven model to a consumer-driven one while attempting to be more responsive to prospective and current students and other customers.

The impact of competition on an organization is an interesting phenomenon and long studied and discussed in literature. What has been neglected, however, is a discussion on how a strategic plan should accommodate short- and long-term increased competition. In 1980, Michael Porter wrote a landmark book titled *Competitive Strategy*. In it, he develops a model that clarifies how these four environmental forces impact organizational change:

- The threat of entry into the industry by new organizations,
- The bargaining power of suppliers,
- The bargaining power of customers, and
- The threat of substitute services.

Marvin Peterson, David Dill, and Lisa Mets, in the book *Planning and Management for a Changing Environment*, add technical innovation in the core processes of the industry to Porter's model. (See Figure 1-11.)

Each force affects the final outcome: the overall degree of rivalry or competition among institutions in the industry, which changes the external environment in which the industry must plan.

How these enviromental forces will impact colleges

Let's take a minute to identify how these forces might impact a fictitious college, Unresponsive U.

1. ***Threat of new entrants.*** The University of Phoenix and Jones International University both offer the same basic programs as UU, though at a much lower price.
2. ***The bargaining power of suppliers.*** Digital equipment and Peoplesoft "force" UU into long-term contracts thereby reducing the university's ability to take advantage of new and alternative technology. Coke, with a single-provider contract, has threatened to sue because a fraternity offered Pepsi during a recent frat party. Coke also wants the Coke logo on the floor of the basketball arena to be larger.
3. ***Bargaining power of customers.*** Students, recognizing their growing power and influence, seek a revision in the size and scope of UU's core. Students want to graduate more quickly. Students want a greater acceptance of "life learning" credits. Employers demand students technological skills, thereby quashing whatever remnants of the liberal arts might still be found on campus.
4. ***Threat of substitute services.*** Microsoft University (MU) recruits in the local high school. MU offers not only training, but a salary and a job upon graduation. McDonald's "MacU" offers the same guarantees. At the same time, the local high school dramatically expands its advanced placement program.
5. ***Innovation in the core technology.*** The Internet makes nonlab courses obsolete. Reed Elsevier makes all of its

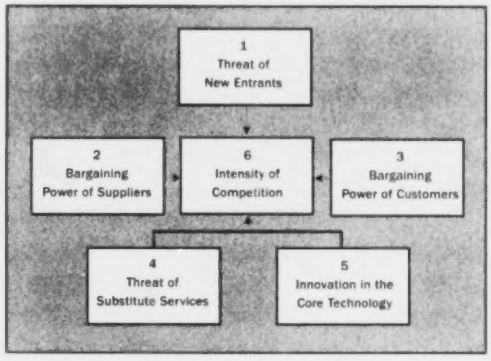

Figure 1-11
Impact of Environmental Forces on Change
Stamats graphic based on information presented in Michael Porter's *Competitive Strategy* and Marvin Peterson et al's *Planning and Management for a Changing Environment*.

BEST COPY AVAILABLE

journals available online. The library committee converts the library into a Web portal and decides to stop buying books. Students from Zaire and Trinidad want to take UU classes via the Internet.

6. ***Intensity of competition.*** Unresponsive University is concerned that it lacks both technological and administrative resources. While writing a grant to fund new technology (they heard Lilly was supporting this area), UU decides to hire a vice president for technology and learning innovation. The estimated salary is $35,000. UU runs an ad in the *Chronicle of Higher Education* and receive four responses. The first is from a young man who earned a B.A. in philosophy in 1998. The second is from a woman seeking a mid-career change. She is currently employed as a buyer at Ralston Purina. The third is from a woman who has the required experience but wants a six figure starting salary. The fourth is a proposal from Digital offering to fill the position on a contract basis. Faced with these challenges and an inability to respond appropriately and in a timely fashion, Unresponsive U may be bought by the Apollo Group.

Is your institution at risk?

Of course, these trends will not impact all institutions uniformly. Some institutions may have a difficult time responding to these trends and might find themselves "at risk." Some 20 years ago Lewis Mayhew wrote *Surviving the Eighties*. He developed a list of characteristics that describe "at risk" institutions. A number of years ago, I expanded his original list and have updated it to include these:

- Lack of aggressive, knowledgeable leadership;
- Frequent administrative or faculty turnover;
- Loss of institutional focus;
- Weak or inaccurate image;
- No planning assets: strategic plan, facilities plan, academic plan, fund-raising plan, technology plan;
- Diminished support from its founding/nurturing public;
- High operation costs compared to cohort;
- Over-dependency on tuition and tuition increase;
- Increased institutional debt;
- Small or decreasing endowment or a habit of tapping endowment to meet operating expenses;
- Deferred maintenance;
- Low freshman-to-sophomore retention rates;
- Low overall graduation rates;
- Difficulties in student recruiting: fewer students in primary market, fewer full-pay students, greater dependency on institutional financial aid and tuition discounting, or abnormally high or low expenditures to recruit a student;
- Difficulties in fund raising: history of small or unsuccessful capital campaigns, increased competition for gifts that were historically theirs, small percentage of active donors, especially alumni and trustees, or abnormally high cost to raise a dollar;
- Poor faculty and staff morale;
- Inflexible, bloated, or moribund curriculum that is controlled by faculty;
- Lengthened time to graduate;
- Faculty militancy or apathy; and
- Increased use of part-time faculty.

Environmental scanning and monitoring

Whether or not you agree with the interpretation of the trends and the impact of an increasingly competitive marketplace, everyone can agree on the need to keep abreast of, and anticipate changes in, our external and even internal environments. The last point of this chapter is the importance of environmental scanning. At its most basic, scanning involves tracking emerging trends in the marketplace that may impact your institution.

Let's use an analogy to explain the scanning process. At the height of the Cold War, the United States Air Force established a series of radar warning outposts across northern Canada. This array was called the Distant Early Warning (DEW) Line. The purpose of the DEW Line was to make sure the Soviet Union didn't launch an attack over the North Pole. Thousands of times each day radar scanned the horizon above the Arctic. If something was picked up on the radar, the tracking stations switched from a scanning mode to a monitoring mode. They monitored the radar signal to determine whether it was a threat (and if a threat, what kind), or something else (a commercial airliner off course, a flock of geese, etc.). Once the signal was identified, the military responded with pre-planned scenarios.

An effective environmental scanning project has three key elements:

- Scanning the environment,
- Monitoring emerging trends (and threats and opportunities), and
- Responding with a pre-planned scenario.

Organizing the environment to simplify scanning

Because environments, particularly external ones, are

complex, and issues often overlap and have multiple dimensions and degrees of impact, it is important to organize the environment to be scanned.

Organizing the environment is important because it helps direct the outward scanning and monitoring and it helps coordinate data as it is gathered and evaluated. James L. Morrison and Ian Wilson, writing in *Planning and Management for a Changing Environment* (edited by Marvin Peterson et al.), organized the environment into five broad-based categories using the acronym (STEEP):

- Social,
- Technological,
- Environmental,
- Economic, and
- Political.

Two strategies will make the process of keeping track of emerging trends and issues infinitely more simple. First, break the external environment into manageable chunks, and assign one or more individuals on campus to keep track of their portion of the environment and to communicate insights directly to senior decision makers in a timely fashion. Second, develop information sources such as government reports, cohort data, or data generated on the Web, that are relatively unique to each environmental subset. By regularly scanning these key datasets you are, in effect, scanning your environment.

Identifying information resources

While information can be obtained from a variety of sources, it is important that each environmental factor is covered. To help you begin to develop your own environmental scanning and monitoring system, consider the sources of trend and other data presented in Appendix C.

An environmental scanning project

If you are interested in setting up a scanning project, one of the best programs around is the Environmental Scanning Project at the University of Georgia. Unfortunately, the Web site is currently not funded. So while the site may be inaccessible, you can look at how it was assembled and possibly duplicate the effort in at a smaller scale, at your institution. (*www.gactr.uga.edu/scanning/lookouts.html*)

The final step: scenario building

The final step in the scanning process is creating scenarios. These will help your institution respond proactively when a threat is perceived.

One of the most frightening aspects of the research for this book was the almost universal lapse of scenarios. While many colleges and universities have a basic crisis plan, very few have plans that address such issues as these:

- Major drop in the stock market;
- Withdrawal of accreditation;
- Loss of all administrative data; or
- Death of multiple senior administrators in an accident.

I am aware of three colleges and universities that received unexpected gifts in excess of $50 million and had no plan in place on how to spend the money strategically.

Conclusion—not just challenges, but opportunities

Higher education is an intricate environment and there is every indication that it will become more complex in the future. However, one should not ignore these trends or recoil from them. Instead, assess the opportunities, create the vision, and get strategic.

DRUCKER'S TWO RIVERS

Peter Drucker believes strategic thinkers and leaders must do a better job anticipating problems rather than simply solving them. He illustrates this point by asking you to

> ...think of a river; smooth, crystalline, sandy-bottomed, slow, steady-flowing. If someone said to you, "I want you to cross the river," it wouldn't be much of a challenge. All you need is a boat and a way to power it.
>
> Now, imagine a different river, a highly turbulent one filled with whirlpools and eddies and current changes. It has churned up a lot of dirt from the bottom so that the water is cloudy and full of hidden The shores on both sides have been eroded and are rocky and irregular. If someone asks you to cross this river, it is a different proposition entirely. Here, foresight will make a big difference to your success. If you can anticipate the rocks below the water, if you can anticipate the whirlpools and the changes in the current, if you can anticipate the landing on the other shore, you have a much better chance of getting across that river successfully. The times we are living in are much like the turbulent river. In times of crisis the ability to anticipate dramatically enhances your chances of success.

But, saying "anticipate better" doesn't explain how to look into the future. This is where strategic exploration or scanning comes in. Strategic exploration enables one to discover possible futures, and, once you know what is possible, you are in position to anticipate it.

Additional reading

For an in-depth look at trends and challenges in the marketplace, read Edmund Hansen's *AAHE Bulletin* article "Essential Demographics of Today's College Students," Wayne Hintze's "Media Habits and Internet Usage Among America's Youth," (*www.internationalmta.org*) and *Planning and Management for a Changing Environment* by Marvin Peterson et al., especially chapters one and 11. I would also suggest you take a look at Richard Hersh's very fine monograph *Intentions and Perceptions: A National Survey of Public Attitudes Toward Liberal Arts Education.* Alexander McCormick's "Bringing the Carnegie Classification into the 21st Century" (*AAHE Bulletin,* January 2000) is a great update on how this classification system is being fine-tuned and James Morrison's chapter "Environmental Scanning" is a nice introduction to this topic. Finally, consider subscribing to *University Business,* available for free at *www.universitybusiness.com.* The resources listed in the Bibliography and Appendices provide additional insight.

CHAPTER 2

The Idea of Planning

"Would you tell me, please, which way I ought to go from here?"

"That depends a good deal on where you want to get to," said the Cat.

"I don't much care where—" said Alice.

"Then it doesn't matter which way you go," said the Cat.

"—so long as I get somewhere," Alice added as an explanation.

"Oh, you're sure to do that," said the Cat, "if you only walk long enough."

— Lewis Carroll, *Alice in Wonderland*

Higher education has long embraced the idea of planning. Facilities plans and faculty development plans are common. Marketing, recruiting, and even public relations plans come as no surprise. We plan for crises and hope they never occur. We plan for successful capital campaigns and hope they do.

On most campuses, the capstone of planning efforts is the strategic plan. Some experts estimate that nearly 70 percent of colleges and universities in the United States have some form of strategic plan. However, even as administrators embrace the idea or perhaps the ideal of planning, the actual planning process is not popular. In fact, as Daniel Rowley et al. noted, on many campuses "the term strategic planning is repugnant and tantamount to heresy."

Many faculty, staff, and administrators interviewed as part of this book recognize and appreciate the value of strategic plans, but they were almost universally frustrated with the process. Repeatedly, their concerns focused on these:

- Confusion over what strategic planning was;
- Misunderstanding about how strategic planning would benefit the institution in general and them in particular;
- Lack of clarity on their role in the planning process;
- Lack of understanding about why they were engaged in a planning process at this time; and
- Lack of understanding about why the strategic planning process was so complex or took so long.

It is not difficult to see why so many people were frustrated with the process and unsure of the outcome. In many respects, the academy is faced with a Hobson's choice: compelled to plan but seldom satisfied with the results.

Before we move further into the strategic planning discussion, it is important to get a more complete sense of what strategic planning is, and what it isn't.

What is strategic planning?

The word "strategy" comes from the Greek word *stratego*, a hybrid of two words, *stratos*, or army, and *ego*, or leader. In a slight play on words, John Bryson, in *Strategic Planning for Public and Nonprofit Organizations*, reminds us that strategic planning began as the art of the general and become the art of the general manager.

Here are some competing definitions of strategic planning:

- John Bryson states that strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it.
- Daniel Rowley et al. write that strategic planning is a formal, disciplined process designed to help an organization identify and maintain an optimal alignment with the most important elements of its environment.
- Leonard Goodstein et al. indicate that strategic planning is the process by which the guiding members of an organization envision its future and develop the necessary procedures and operations to achieve that future.
- Philip Kotler and Patrick Murphy believe strategic planning is the process of developing and maintaining a strategic fit between the organization and its changing market opportunities.
- Bruce Erickson, executive director for marketing and communications at Wichita State University, notes that strategic planning is a "willed future;" it is a process through which we study our options and deliberately choose what we want to achieve as an institution.

Though each definition's phraseology may be different, several threads are common.

First, strategic planning is future-oriented. It is less concerned with where an institution came from and more concerned with where it is are going.

Second, strategic planning must be coherent, unifying, and an integrative pattern of decisions. This means strategy development is conscious, explicit, proactive, and ongoing.

Third, strategy is a response to internal strengths and weaknesses and to external opportunities and threats. The purpose of strategy is to heighten your alignment with your environment and to help you maintain a competitive advantage.

And finally, strategy is a means of establishing an organization's purpose in terms of its long-term objectives, action plans, and allocation of resources. The strategic allocation of time, money, and talent is the acid test of an organization's strategic plan.

Key themes of strategic planning

The planning process is strategic because it involves choosing how best to respond to the circumstances of a dynamic and sometimes hostile environment. Changing stakeholder needs, funding availability, and competition are all factors that force administrators to make changes. Being strategic requires recognizing these choices and committing to one set of responses instead of another.

Second, strategic planning is systematic in that it calls for following a focused and productive process. The process raises a sequence of questions that helps planners and internal stakeholders examine past experiences, test old assumptions, gather and incorporate new information about the present, and anticipate the environment in which the organization will be working in the future. The process also guides planners in continually looking at how the component programs and strategies fit with the vision, and vice versa.

Third, strategic planning involves choosing specific priorities, making decisions about ends and means, in both the long term and the short term. Consensus on priorities must be reached at many levels, from the philosophical to the operational. While a strategic plan will stop short of the level of detail in an annual operating plan, it cannot be called a plan if it does not articulate the major goals and the priority methods the organization selects. Long-term goals have implications for short-term action: the two must be congruent with one another for the plan to be valid and useful.

And finally, the strategic planning process is about building commitment. Systematically engaging key stakeholders in the process of identifying priorities encourages constructive disagreements and supports better communication and coordination. The process allows broad consensus building, resulting in enhanced accountability. This commitment ensures that a strategic plan will actively be used for guidance and inspiration, instead of serving as a dust cover for a remote corner shelf.

How strategic planning is different from other types of planning

According to George Keller in *Academic Strategy*, seven features distinguish strategic planning and decision making from other types of planning.

- Strategic decision making means college or university leaders are active rather than passive about their position in history. To be strategic is to take positive, vigorous steps to overcome obstacles. Strategic planning believes destiny can be shaped by leaders as well by external forces. He notes colleges tend to be extraordinarily docile before the forces that affect them. They prefer to complain about the unsupportive legislature, parents who no longer send their offspring to their kind of institution, the urban decay near their campus, the athletics-happy alumni, federal government aid policies, and inadequate corporate support.
- Strategic planning's most important contribution to decision making is to keep the institution in step with the changing environment. For decades most campuses have been inner-directed, constructing aims on the bedrock of religious commitments, traditions, faculty desires, and ambitions for growth, and largely ignoring the world outside.
- The most recently added—and least developed—piece to academic strategy thinking is that higher education is subject to economic market conditions and increasingly strong competition. This reality is vitally important in the stringent period ahead, with too many colleges and universities chasing a dwindling number of [traditional] students.
- Strategic planning concentrates on decisions, not on documented plans, analyses, forecasts, and goals. Strategic planning is action-oriented. It constantly asks: What shall we do? How shall we decide? Where do we put our attention and energy? It especially emphasizes the allocation of resources, asking how to spend our money and employ our people, buildings, and equipment.
- Strategy planning blends rational and economic analysis, political maneuvering, and psychological interplay. It is participatory and highly tolerant of controversy. Just as the finest scholars blend facts, interviews, historical wisdom, comparative analyses, insights, and bold speculation in their depictions of a situation, so collegiate strategies combine computer modeling, favorable and unpleasant facts, research, discussions among many people, market and competitive analyses, and large spoonfuls of ingenuity, judgment, and daring to come up with a course for the institution's future.
- Strategic action recognizes human nature is an amalgam of intellect, power plays, and emotions such as fear, envy, anger, compassion, greed, and desire for purpose and meaning. It gathers the best information and forecasts; struggles to overcome political jealousies, inertia, and sabotage; and builds psychological awareness and commitment. Says Keller, strategic planning unapologetically marries rationality and artfulness, financial facts, and politics. To enter the house of strategy, one must to go through the doorway of debate and catharsis.
- And finally, strategic planning concentrates on the fate of the institution above everything else.

What strategic planning is not

Even as we consider what strategic planning is, and seek to establish its central tenants, we must take time to clarify—with an eye toward managing expectations—what strategic planning is not.

According to Leonard Goodstein et al., writing in *Applied Strategic Planning*, strategic planning is not forecasting. Forecasting extrapolates present trends in the marketplace into the future. Strategic planning is necessary precisely because such extrapolations from the present to the future are rarely correct, even for the short term.

Strategic planning is not the simple application of quantitative techniques to planning. Rather strategic planning requires creativity, analysis, honesty, and a level of soul searching that could not be farther from quantitative analysis. Although some quantitative analyses are necessary for a complete strategic planning process, these are never at its core.

Strategic planning does not deal only with future decisions, it is also concerned with making decisions that will affect the organization today. Strategic planning does not eliminate risk. Rather, strategic planning helps campus leaders assess the risks they must take to gain a better understanding of the parameters involved.

A portion of what is discussed in *Applied Strategic Planning* is re-emphasized by George Keller in *Academic Strategy*. His 10 "bullets," written nearly 20 years ago, indicate what strategic planning is *not*:

- *The production of a blueprint.* The idea is not to produce a fat, detailed document that everyone should follow but to get all the key people thinking innovatively

Table 2-1
What Strategic Planning Is

Strategic Planning Usually ...	Other Planning Usually ...
Emphasizes the environment	Emphasizes the enterprise
Is oriented toward change	Emphasizes stability
Is vision-directed	Follows goals and objectives
Is inductive and integrated	Is deductive and analytical
Is proactive	Is reactive
Emphasizes doing the right things	Emphasizes doing things right
Is art form, intuitive	Seeks exact scientific answers
Has an open system and external focus	Has a closed system and internal focus
Anticipates changes ahead	Extrapolates future from the past
Bases decisions on the present and future	Bases decisions on the past and present
Is entrepreneurially oriented even in ambiguity	Shows inaction where there is ambiguity
Emphasizes innovation and creativity	Is univariate
Is synergistic	Emphasizes tried and tested
Emphasizes enterprise's environment and context as primary determiners of strategy, choices, and decisions	Emphasizes enterprise's strength and weakness as primary determiners of strategy, choices, and decisions
Emphasizes opinions, intuition, and is qualitative	Emphasizes facts and qualitative information
Is effectiveness-oriented	Is efficiency-oriented
Patterns are in a stream of decisions	Makes and carries out decisions

Source: The Bradley Group, Inc. Reprinted with permission.

and acting strategically, with the future in mind.

- *A set of platitudes.* Strategic planning means the formulation of succinctly stated operational aims. It is specific, not vague and vapid.
- *The personal vision of the president or board of trustees.* A strategy will of necessity include a measure of the president's own vision, sometimes a huge measure, but never to the exclusion of considerations of other realities.
- *A collection of departmental plans, compiled and edited.* Strategic planning is for the whole institution and for its long-term stature and excellence, not for satisfying dozens of separate internal hopes spun in isolation from a college's overall needs. A university is something more than the aggregate of its parts. A strategic plan is something more than a list of individual wants and aspirations.
- *Done by planners.* In strategic planning, the planner does not plan. He or she prompts and helps the line officers to plan with statistics, forecasts, institutional data, the best reports by outsiders and on competitors, and visits to your campus by other strategists, scholars, or consultants. The university planner's duties are two: arranging the process of planning and providing crucial information that helps key officers make decisions that are informed and sensitive to current and emerging realities. It is the president, provost, chairman of the board, financial vice-president, deans, and department heads who should decide on both the institution's strategy and its implementing tactics.
- *A substitution of numbers for important intangibles.* Data are used. Financial forecasts are made. Models may be tried. But these are introduced to sharpen judgments, analyses, and decisions, not to substitute for them. They tie facts to the executives' feel; they bring more enlightened intuition. Quantification is provided mainly to enrich qualitative sagacity, not replace it. The

essence of academic strategy is decision making. And computers don't make decisions, people do.

- *A form of surrender to market conditions and trends.* Formulating a strategy does not entail giving up all your college stands in order to get tuition-payers or to go with the flow. It does require you to be aware of the likely markets for higher education, the new forms of delivering information, and the developing conditions that will affect your college and its goals in a profound way. If you intend a wilderness trip, it is wise to have maps and the right equipment and clothing; it does not mean you have to live like primitive people or animals in the wild.
- *Something done on an annual retreat.* It is ongoing, continual, not an activity done separately, away from the classrooms, budgets, laboratories, and libraries. Special sessions are necessary during the formulation stage and when special threats arise. But planning itself is integral, not occasional.
- *A way of eliminating risks.* If anything, strategic planning increases risk taking. It fosters an entrepreneurial spirit, a readiness to start new ventures. It encourages boldness about opportunities and aggressiveness in the face of threats. In doing so, it often causes disruption.
- *An attempt to read tea leaves and outwit the future.* Of course, the future is unpredictable. But it is not a random walk. There are likelihoods, built-in dynamics, national character, and even a few near-certainties. Strategic planning is an effort to make this year's decisions more intelligent by looking toward the probable future and coupling the decisions to an overall institutional strategy.

Roger Williams in "Out with the Old, In with the New" outlined in CURRENTS four reasons why academe should rework strategic planning. He states that he has no problem "with real strategic planning." His problem is with what higher education has done to strategic planning. He says, "In short, we have neutered it. Strategic planning now lies still and vapid like a tired old fox terrier on the couch. An occasional bark, but no bite."

Williams cites four ways in which higher education has "curtailed" strategic planning:

> Fear of hard decisions. Colleges and universities are highly charged political environments in which no one is shy about expressing dismay. Hard, unpopular decisions can wreak havoc, so leaders avoid making them.
>
> Passive-aggressive behavior at the institutional level. Particularly in large universities, the tendency is to mandate strategic planning at the unit level—the constituent colleges, schools, and departments—but to ignore any rigorous thinking (i.e., decision making) at the institutional level.
>
> Fuzzy, unmeasurable goals. Institutional or system-level strategic plans do exist, of course, but look at the language. One state system wants to "foster collaboration between units." A major private university wants to be "the leader in the integration of teaching and research." A comprehensive university stakes its future on "increasing access to knowledge resources."
>
> The "all things to all people" syndrome. I saw a strategic plan for a large public university that seeks to become one of the top 10 publics. Institutions are fond of saying they can't be all things to all people, but then they set out to prove otherwise. This one wanted to "elevate our faculty and its teaching, research, and scholarship" and "globalize the university community."

DYSFUNCTIONAL PLANNING AND ITS ROOT CAUSES

Before discussing planning hierarchies, let's outline two types of dysfunctional strategic plans. Robert Glenn, managing partner of Innovation Networks, describes these plans in his as yet unpublished paper *Designing an Attainable Future: Keys to More Effective Higher Education Strategic Planning:*

- **The "Business as Usual" plan.** Business as Usual demonstrates little objective rethinking of institutional mission, goals, or strategies, but instead relies on extrapolating the institution's past into its future. The implied message is "let's just keep doing what we've been doing." Such plans evidence little rigorous analysis or creativity. Stretch goals are notably absent, as are objective assessments of opportunities for improvement. The institution simply wants to "tread water" assuming "things are good now, so why change."
- **The "Wish List" plan.** The "Wish List" plan sets forth a veritable laundry list of new initiatives for the institution to pursue, tied to advancing a far-reaching set of strategic objectives. Participants in the planning process have been asked to "blue sky" the institution's future, typically responding to queries such as "What would we do if we were suddenly given $100 million dollars by a generous donor?" The result is too often a non-prioritized catalogue of unrelated initiatives, reflecting little institutional consensus and determination of how such initiatives are to be funded.

Robert Glenn wrote this paper while I was doing my research for this book. These excerpts appear here with his permission.

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A very brief review of planning hierarchies

Campuses have multiple planning opportunities. To give you a map of how these plans can fit together, consider Figure 2-1. As you can see, all plans flow from the strategic plan. You will note, too, the high level of integration. In this model, the academic plan, the marketing plan, and the financial plan have parity. In addition, the recruiting and retention plans are linked. And finally, the marketing plan has purview over the recruiting and retention, the communication, and the fund-raising plan.

Benefits of strategic planning

The Web page of the University of Georgia Office for Strategic Planning addresses how strategic planning—especially when juxtaposed against other kinds of planning—offers colleges and universities a number of clear benefits. Strategic planning, the Web site says, does the following:

- Allows for greater appreciation for the unpredictability of the environment. It assumes an ever-changing, complex external environment and takes a proactive stance toward that environment.
- Prepares for a future that is uncertain and might take a variety of forms. It facilitates adaptability to a range of novel internal and external conditions (i.e., directs more attention to contingencies and emerging opportunities).
- Focuses on broad policy issues and takes a university-wide perspective. It raises fundamental questions about direction and decides on the key initiatives to move ahead.
- Combines and integrates generality (i.e., mission, values and goals) with specificity (i.e., specific objectives, strategies).
- Provides a flexible guide for budgetary and program decisions, without making implementation decisions in advance or reducing the judgmental nature of decisions about quality.
- Requires regular evaluation of progress and reevaluation of goals to fit new challenges, opportunities, or constraints.

A successful strategic planning effort should also enhance operational efficiencies. As a result of such an effort, the overall organization should run more smoothly and effectively. Processes and workflow should be more efficient. Consistent work toward common goals should emerge. Decisions should be made swiftly and supported to a greater degree throughout the organization. Internal capabilities should be enhanced. Internal and external communication will be improved and the organization's ability to learn, assimilate, and adapt to changes in its environment should increase.

Outcomes of strategic planning

Raymond Bacchetti believes a strategic planning process offers other, often more subtle benefits that should not be overlooked. He divides these benefits into four rubrics:

- Intellectual,
- Team building,
- Accountability, and
- Political utility.

Intellectual

By causing the campus community, and particularly its leadership, to address ends and means as interrelated, strategic planning sharpens terminology, recognizes the authority of ideas as well as of people, considers trade-offs—on both the revenue and expense sides of the ledger—and increases the understanding that every choice has consequences.

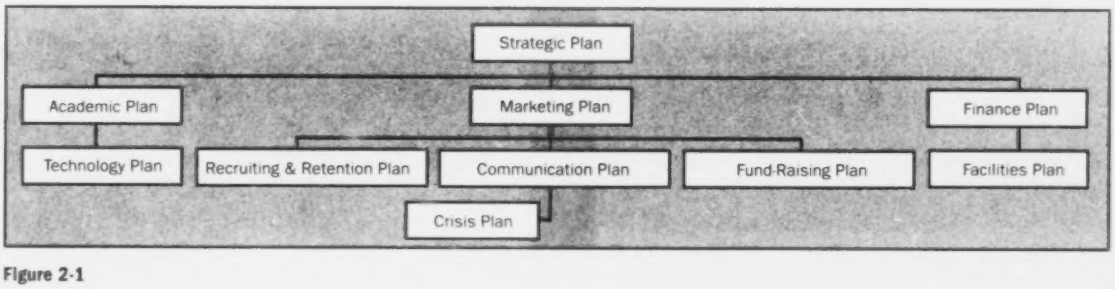

Figure 2-1
Planning Hierarchies

THE RELATIONSHIP BETWEEN STRATEGIC PLANNING AND INTEGRATED MARKETING

In my role of consultant and writer in the twin areas of strategic planning and integrated marketing, I am often asked if there is a relationship between the two.

Before I can answer that question I need a better definition of integrated marketing. I recently attended an advancement conference in St. Louis and sat in on a session on integrated marketing. The discussion focused on communication: family looks, multi-channel media campaigns, and branding. At the close, I asked the presenter to define integrated marketing. She replied, "coordinated communication."

Of course, though popular, this answer is not correct. While integrated marketing includes communication, it is much more. Correctly defined, integrated marketing (IM) is a listening-first, database-dependent, approach to marketing that includes a willingness to segment and coordinate such strategic assets as product/customer, price/cost, and place/convenience and to develop effective promotion/communication strategies for key target audiences. In other words, IM deals with the strategic issues of product, price, place, and the tactical issues of promotion.

A subset of integrated marketing is integrated marketing communication, or IMC. IMC, by definition, is a coordinated, institution-wide effort to communicate mission-critical values and messages in ways that target audiences notice, understand, and respond to. IMC stresses data-driven audience segmentation, message integration, and evaluation.

I often tell clients that the difference between integrated marketing communication and integrated marketing is like the difference between cosmetics and personality. Cosmetics can make most people better looking. But if what they say, what they do, and what others say about them are not appealing, those who have been attracted will soon turn away.

By the same token, integrating the marketing communication function—advertising, direct marketing, publications, etc.—is futile if an institution's other actions send more powerful and conflicting messages.

Is this distinction between IM and IMC important? Absolutely. Too often, colleges and universities enhance communication and image strategies when, they should be dealing with such strategic issues as what's taught, when, how, and at what price. Dealing with strategic issues is often political and time-consuming, but if the same problem is labeled a communication issue, the long knives stay sheathed. Stakeholders are much likely to support a communication plan than the decision to review the curriculum.

So let's go back to the original question: Is there a relationship between strategic plans and integrated marketing plans? In a nutshell, yes. By and large, they deal with the same issues of mission, vision, what's taught, quality of campus life, budgeting, etc. They both seek alignment with the environment, the careful use of resources, and are future-oriented.

But what's the difference between the two? In theory, there is little difference. In the work-a-day world of higher education, the differences can be significant. Let's look at some problem issues.

First, both terms carry serious emotional baggage. Many campus stakeholders believe strategic issues can only be dealt with through strategic planning while marketing issues—as they often define them—are lower order and can be left for technicians. After all, stakeholders believe, isn't marketing just another word for promotion?

Second, there is *academic manifest destiny*. If you look at the history of strategic planning, much of it focused on doing more—offering more programs, building more facilities, and spending more money. These campuses never met a student or a donor they didn't like. Conversely, marketing is interested in returns on investment, efficiency, and effectiveness. While marketing is very comfortable asking, "what new programs can we offer," it is also comfortable asking, "what programs should we close?"

Third, there is the issue of accountability. In higher education, accountability is not always popular. Strategic plans seldom include detailed information on who will do what, and when. Good marketing plans, however, stress accountability.

And finally, there is the idea of measurable outcomes. This involves gathering solid baseline data early in the planning process. Strategic plans generally fall short in this area. Strategic plans are often built on a breathtaking shortage of solid information. Marketing establishes definable, short and intermediate goals. Strategic planning goals tend to be more esoteric and with vague timelines.

In summary, many administrators and faculty routinely confuse the terms integrated marketing and integrated marketing communication. Little if any difference exists between strategic plans and integrated marketing plans at the theoretical level. The culture of higher education "demands" that the strategic planning and integrated marketing planning functions be separated. Finally, strategic plans could benefit from the adoption of several marketing tenants especially efficiency and effectiveness, accountability, and measurable outcomes.

Team building

When people come together around a common problem, they not only get a better feeling for the problem—they also get a better feeling for other people's perspectives, ideas, and values.

Strategic planning teamwork can bring about new ideas. Says Bacchetti,

> We learn about things we knew we didn't know; and we learn about things we didn't know we didn't know. We also bring in ideas from other institutions, not necessarily educational institutions, and from consultants, not adopting those ideas necessarily, but their existence challenges higher education institutions to think about concerns in new ways, from different vantage points.
>
> Confidence, a further benefit of teamwork, has an intellectual side, where leaders collectively come to a better understanding of the terms and conditions of an institution's means and ends. Confidence also has a collegial side that instills confidence in the people with whom we are going to face that future.

Accountability

Strategic planning is, at many stages, a public activity—and thus a way of being seen to be—accountable both in the eyes of the campus and the community at large. It does this chiefly by enlarging the scope of responsibility. Individuals can easily stay aloof or selectively emphasize issues when they are not involved. When individuals are brought inside—directly or indirectly—they develop a stake in the outcome.

Political utility

Finally, a well executed planning process conveys a sense that you are serious about yourself and therefore ought to be taken seriously. Bacchetti uses the term "political," as a way of asserting an interest and being able to support it in a manner consistent with broader public interests.

Make your outcomes as measurable as possible

Dr. John Roush, president of Centre College stresses that the outcomes of strategic planning should be measurable wherever possible. He believes, at its core, strategic planning is about setting a series of goals and objectives that will advance, improve, elevate, or in some cases reposition the enterprise.

In a personal interview, he said there is no reason to plan if there are not measurable outcomes. The amount of time and energy required to effectively plan is extraordinary, and the president and others central to the process should be held accountable for ensuring the plan leads to the achievement of easily discernable outcomes. First, says Roush, a good planning process should serve as an occasion for the college or university to generate or revisit its vision statement (statement of aspiration), its mission, and its distinctive qualities.

Second, a good planning process—one that is inclusive and open and willing to explore old and new ideas—can be more valuable than the product, the written plan. The opportunity to bring the college or university community together to discuss, debate, and reach consensus of some magnitude about the future of the institution is one not to be missed. Done properly and with some measure of good fortune, one of the most important outcomes of planning is the generation of "shared will," not just shared vision.

Third, a good plan should provide the institution with a chance to "tell its story"—rediscover and announce its distinctive qualities as well as its strengths, weaknesses, and special opportunities for higher achievement.

Fourth, a good plan almost always leads to the other thing colleges and universities never stop doing—raising money and staging major campaigns. Presidents should make it clear, particularly to trustees, that one outcome of planning will be to guarantee a new capital campaign of some magnitude.

Finally, a good plan should identify measurable goals and objectives. (This fifth outcome is critical to the success of the plan.) The goals, and most certainly the objectives, should be measurable so that the college community can hold itself accountable. Many goals can be simply expressed in numerical terms—for example, increases in annual fund numbers, enrollment, and financial aid resources.

Roush concludes, "My approach to planning is pretty straightforward: If we write it down, we will achieve it. If we do not achieve it, we will have chosen not to do so and should be prepared to explain that choice."

Determining when you should ... and shouldn't ... undertake a strategic plan

Strategic planning isn't right for every college every time, and some times are better than others are. Strategic planning may be appropriate when undergoing a significant mission change, such as a decision to go coeducational or to begin serving graduate students.

CHAOS THEORY AND STRATEGIC PLANNING

Marc Cutright from the University of Tennessee offers some amusing insight into how the application of a little chaos theory to planning might improve the overall planning process and the outcomes achieved by the plan. Says Cutright in his paper "Planning in Higher Education and Chaos Theory: A Model, A Method,"

- **The ideal outcome of planning is planning, not the plan.** Dwight Eisenhower, as commander of allied forces in World War II, was more direct: "Plans are nothing. Planning is everything." Planning is not the production of a fat blueprint. Rather, it is a strategic direction and central strategy which, as chaos theory would suggest, is designed flexibly enough to be sensitive and responsive to turbulence in the environment. Chaos theory tells us that because of the impossibility of long-term predictability, plans should be general, flexible, and relatively detail-free.
- **Planning begins with a distillation of the institution's key values and purposes.** This idea encourages the identification or creation of ideas or philosophies, called attractors, that will give central organization and priorities to the strategic plan. Typically, within natural systems, chaos is characterized by only a few, strong attractors. The flocking of birds, for example, is accomplished by compliance with only three rules: keep a minimum distance from other birds, move at the same speed, and head toward the densest concentration in the vicinity. That may explain why institutional mission statements are rarely of much help in strategic planning. Satisfying everyone and offending no one, they tend toward being kitchen sinks of collected ideas and goals, good and bad, littered with platitudes, and with little sense of priorities.
- **The widest possible universe of information should be made available to all members of the institution.** This universe of information includes ongoing, rich, and current feedback, including feedback on the planning process itself.
- **Dissent and conflict are creative, healthy, and real.** The absence of conflict is reductionist, illusionary, and suspect. Chaos theory recognizes the power of turbulence. It is the essence of creativity in chaotic systems, and it is from this "edge of chaos" that new patterns and ways of doing business emerge.
- **The institution should budget—fiscally and psychologically—for failure.** Plans describe alternative futures. Not all can be realized or succeed. Universities are historically averse to change, even those changes that are ultimately and broadly adopted in higher education. Yet strategic planning attempts to make some tentative decisions about and preparations for the future. Researchers have documented that universities very rarely make any budgetary allowances for experimentation. They don't allow for opportunities or ideas that emerge outside the budgetary frame. But chaos theory suggests that allowance should be made—both budgetarily and for the energies of personnel—for pilot projects, with the knowledge that, despite our best predictive efforts, not all will succeed.
- **The considerable expense of time on the front end of planning is an investment. It is recouped, with interest, in the future.** There is little question that top-down, stripped-down, feedback-free planning is faster. This is a false economy. Fast plans may be convenient, even poetic, but time and resources will be spent subsequently and inefficiently as institutional leaders attempt to impose plans alien to the system's actual dynamics. Alternately, a plan developed from these dynamics, and not against them, will be more fully implemented.
- **That which can be quantified is not to be overvalued, and that which cannot be quantified is not to be discounted.** The dominant "fact" of the planning future going into the 1980s in the U.S. was a declining pool of traditional-age students, which would result in the closing of at least 10 percent, and perhaps as many as 25 percent of America's colleges and universities within a decade or so. What actually occurred was an increase in college enrollments through the '80s. Linear planners, who had depended on the convergence of data trend lines at some point in the future, did not take into account those factors they could not quantify, including institutional creativity, the upshot in enrollments by women, and the development of a new market of older students. Chaos theory suggests that, as with weather prediction, increasing the bulk of our numerical data quickly hits a point of diminishing return in our efforts to predict the future. Non-quantifiable trends and emerging ideas in society are butterfly wings, which may affect our systems disproportionately to their current strength or ability to be meaningfully quantified.
- **The future is a creation, not a prediction, and time is an ally.** This power of agency is the distinguishing context of human chaotic systems. It would be an error to conclude from chaos-suggested unpredictability that planning is futile. The opposite is true, if we look at planning as the creation of the future, rather than the mere realization of a future predicted by the long-term projection of data. Participants in nonlinear planning come to realize that the future is largely their invention; the external and internal environments are strong creative elements of the future, but so are dreams, values, and ambitions.

Second, strategic planning is one highly effective way to solidify new leadership after a reasonable "getting to know you" time has occurred. Dr. Peter Mitchell, president of Albion College understands the role strategic planning can play in presidential transition. Says Mitchell, "A strategic planning initiative has become almost a given in leadership transition." Whether assessing a recent plan or engaging in a major new planning effort, the process defines priorities, identifies important new opportunities, and familiarizes the new president with the ethos of the campus community.

The transition of presidential leadership provides a two- to three-year window of opportunity for initiating change. This honeymoon period, Coleridge's "willing suspension of disbelief," is a time where receptivity to change is as good as it is going to get. New presidents should capitalize on this special milieu. The collegial nature of higher education necessitates a collaborative and consensus-driven management style, which is what strategic planning, at its best, is.

Third, strategic planning is also appropriate when facing organizational or environmental uncertainties such as rising costs or declining demography.

Fourth, when senior and middle managers need direction for day-to-day decisions, strategic planning can be useful. Fisher Howe, in his book *The Board Member's Guide to Strategic Planning*, says that decisions in governance and management are more reliable when made deliberately, with full examination of possible future consequences, within the framework of a set of determined priorities, and in accordance with the perspective of all of the organization's programs and levels of authority. Strategic planning can give decisions that underpinning.

Fifth, strategic planning can help institutions establish a guide for resource allocations. There is seldom enough money to go around and a solid strategic plan built on strategic priorities can be an enormous aid to those responsible for budgeting and resource allocation.

Finally, institutions might want to precede a capital campaign with a strategic planning effort. Most colleges, universities, and schools need to attract donated dollars and a successful fund-raising program rests on both a realistic determination of funding needs and a persuasive statement of why people should contribute. Foundations are more inclined to support an institution if they have confidence in the senior administrative team and its strategic plan.

When to avoid strategic planning

Just as there are a number of reasons for undertaking a strategic planning process, there are some times when it should be avoided. For example, strategic planning may not be the best first step for an organization on the verge of collapse. Because the strategic planning process takes time, an organization in peril will be better served by quick decisions than by a strategic planning process. Strategic planning works best when the organization is relatively stable and key leaders are in place.

Strategic planning should be avoided if the organization lacks the skills or resources—or the commitment of key decision makers—to carry through an effective strategic planning process and produce a good plan. In such a situation, planning should probably be focused in the short-term at developing those skills, resources, and commitments.

Don Hossler, professor of Education and Philanthropy and vice chancellor for enrollment services at Indiana University, said in a personal interview, that recent disastrous planning processes may cause some to view planning skeptically.

And finally, an organization may not need to initiate strategic change if resources are abundant, are expected to remain so, and most stakeholders are satisfied with the status quo.

Oft-heard objections to strategic planning

John Bryson and Farnum Alston offer a number of what they call "excuses" for avoiding strategic planning in their book *Creating and Implementing Your Strategic Plan: A Workbook for Public and Nonprofit Organizations*. Some popular excuses include these:

- We have no board support;
- We have no top management support;
- We're too big, small, complex (choose one or more) for strategic planning;
- We've got a union;
- We don't know where to start;
- We've already done it—years ago; and
- We're already in a good position!

If you don't have board support now, take the time to earn board support before undertaking a strategic planning process. Show the board the real, demonstrated benefits of strategic planning. Help board members understand their role. Cite examples of successful planning—and outcomes—at other institutions.

Not having top management support can also be an excuse. Use the same strategy that you used for the board. Explain their involvement. Stress, but don't oversell, benefits.

Everyone is either too big or small, too simple or complex. But if strategic planning can work for the University of Michigan and Mount Union College, chances are it can

work at almost all institutions. The key is to lay the foundation, heighten participation, manage expectations carefully, and move ahead in a determined fashion.

Perhaps you do have a union. Or a reluctant faculty. Or a staff that cannot imagine taking on yet another task. Treat these cohorts as stakeholders. Get them involved and show how planning will positively impact their jobs, opportunities, and the institution they serve.

Don't know where to start? Begin with a vision, what you want your institution to look like. Use the visioning process and the ensuing vision to catapult the planning.

Perhaps you did undertake strategic planning years ago. But times do change. A review of Chapter 1 should reveal a multitude of unanticipated challenges you must overcome and opportunities you must realize.

Already in a good position? Then leverage it. Move from a position of strength to expand your mission in the marketplace.

If strategic planning is so great, how come everyone's not doing it?

George Handy, planning director for the Hamilton Strategic Management Group, asks on that company's Web site the insightful question: why, if planning is such a great tool, do so many colleges and universities operate without a strategic plan? Some of the answers he hears most often, and his responses, are presented below.

"We are too busy." It is true that good planning does take time. And this is a real consideration for a management team where all of the members obviously have full-time jobs just taking care of the day-to-day. This problem is often especially acute in smaller colleges and universities. But being very busy (overly busy?) can be symptomatic of untreated longer-term issues: inadequate resources, coordination and communication, or consensus about direction. If these issues are resolved, the frenetic pace may be eased.

"We should do it, but the timing isn't right." It is never convenient to plan. But this cannot be a "permanent" excuse for not planning. Planning should be timed to fit into the annual fiscal cycle. It is often best to have it precede the budget preparation so that the plan sets the stage for the budget. Or if key personnel is about to change, it may be best to defer planning until the management team is intact. But these reasons for deferral are brief, and afterwards the college or university should get on with its planning. Operating without a plan is simply too dangerous.

"We don't know how." This is sometimes a true statement, and organizations that admit it are to be commended. Someone needs to be in charge of every planning process and, therefore, must know how to go about it. The leader must have experience in planning, including business aspects of a plan to ensure the final plan is correct and complete, organizational elements to guide the planning team through a complex process over a period of months, and inter-personal elements to balance and motivate the team for maximum input and creativity. The person who leads the process can be from within the college or university or from outside, but he or she must be experienced in planning.

"We don't have enough information." Everyone would like to have more information to help him or her make a decision and perfect information would be nice. Unfortunately, decisions usually have to be made with the available information. Often the trick is not to overlook information that is readily available, and to organize it in such a way that it is helpful for decision making. Turning "data" into "information" is one of the arts of planning.

"We may have to change as a result of the plan." Often this is an unstated objection to undertaking a planning activity. It is easier to keep doing what people are accustomed to. And good planning almost certainly will suggest sometimes-dramatic change. Perhaps even painful change. One way to hide from change is to duck planning in the first place. Organizations that use this excuse should watch out because they are vulnerable to competitors who welcome change.

"The plan may be critical of our past actions." It is true that part of planning is to review the past and what brought the college or university to its current situation, whatever that may be. So certain individuals, even entire management teams, may prefer to avoid scrutiny by avoiding forward planning entirely. For fairly obvious reasons, this is a dangerous attitude.

"The plan may suggest additional expenditures that we can't afford." Almost every college or university has limited resources. The conflict between goals—ambitious or even modest—and limited resources is ever present. The challenge in planning is to make the best possible use of those resources, whatever they may be, to deliver the best possible future for the institution. That "best possible future" is unlikely to happen in the absence of deliberate thinking and coordinated action. The plan must be practical and deal with the realities of the moment. Feeling a financial pinch is more often a reason to accelerate planning than to delay it. Beware of rationales that seem to indefinitely postpone or avoid planning. They may indicate issues inside or outside of the institution that should

be dealt with sooner, rather than later.

To the above list of "excuses," Fisher Howe adds, there are faculty and staff who, at the thought of strategic planning, respond, "We are too busy getting on with the programs to take time out to indulge in planning." Notes Howe, if strategic planning is undertaken at the most only every three or four years, it can be carried out without undue interference with day-to-day operations.

When the topic of strategic planning is raised, faculty often respond with, "we have an effective committee system; why not use it?" Strategic planning far transcends the mandate of any one committee. Moreover, planning is not a matter of approving policy lines drawn up by a committee; rather, it is an expression of fundamental purposes—the vision of what the organization will be and do in the coming years.

Assessing whether your culture is right for strategic planning

A great deal of time will be spent discussing the impact of organizational culture on strategic planning in later chapters. At this point it is useful to begin to think about whether your campus community is ready for strategic planning and/or to assess the progress of a strategic plan already underway at your institution. The January 2000 newsletter, *Compass Points*, from the Center for Simplified Strategic Planning presents a short, 15 question, strategic planning self-assessment. Key administrators, faculty, staff, and even other stakeholders should complete this assessment. (See Table 2-2.)

Why strategic plans and planning fail

During my research, I asked college and university presidents and vice presidents why plans either failed or did not live up to expectations. They said:

- The need for planning was not widely felt on campus;
- The president did not aggressively, actively, and vocally support the planning process;
- The planning structure was too complicated, took too long, and focused too squarely on processes and not on people;
- The plan was not built on a realistic situational analysis;
- The goals were unrealistic or unmeasurable;
- The plan was not well funded;
- Key people were not in place to help implement the plan;
- The demands of day-to-day activities got in the way of implementing the plan;
- Senior administrators dislike making tough choices and shy away from making unpopular decisions; and
- The plan did not capture the imagination of the campus and its stakeholders.

The real goals of planning

In a personal interview, Dan Landt, former executive assistant to the chancellor of the City Colleges of Chicago, said the nature of planning is often misunderstood even by those who conduct it. Planning, he said, is not something that can take place in a hot house, cultivated in retreats, and pruned in special planning meetings. It's not dramatic or exotic and may, in fact, look like continuous sensible decision making toward goal achievement. He concluded the following:

- Planning is born from leadership and vision, is nurtured by broad participation, and gets its walking fee in daily operations.
- The final result of planning is not a product, but an ongoing process … which is to say that good planning does not have finality.
- Plans fail when they are on paper rather than imprinted in people's minds. When plans are thought of as written words, they are something apart and separate from our daily work lives. Their only survival at that point is as ghosts—ghosts that haunt us from time to time and distract us from our real work.
- Plans succeed when planning becomes part of our nature, an element in meetings and conversations with colleagues, a natural part of our work lives. In short, planning should so infuse what we do that it is noticed only by its results: tangible, incremental progress toward clearly articulated goals.

Additional reading

I particularly recommend George Keller's *Academic Strategy*. Now a bit dated, it was the first real book on strategic thinking in higher education and lays the groundwork for subsequent books.

Harley Fleck's "Three Critical Elements in Strategic Planning," and Rebecca Stafford's "Sheep in 'Wolves' Clothing, or How Not to Do Strategic Planning" are invaluable articles written by seasoned college administrators. I would also suggest Marc Cutright's paper "Planning in Higher Education and Chaos Theory: A Model, a Method." Finally, Frederick Rudolph's *The American College and University: A History*, Clark Kerr's *The Uses of the University*, and A. Barlett Giamatti's *A Free and Ordered Space: The Real World of the University* offer a historical—or at least real-world view—of colleges and universities.

Table 2-2
Strategic Planning Self-Assessment

Strategic Planning Self-Assessment	
Rate your company's performance with regards to the most critical elements of good strategic planning and management by responding to the following 15 statements:	
1=Strongly Agree, 2=Agree, 3=Disagree, 4=Strongly Disagree	
	Score
1. Top executives take formal responsibility for the organization's strategic planning.	
2. Strategic planning is a top priority activity that is performed on a regular basis.	
3. [We] consistently follow a defined set of procedures in our strategic planning process.	
4. Our organization has written goals and objectives.	
5. Our objectives are measurable and have associated action plans with a time frame and specific resource allocations.	
6. Our company regularly assesses its operating environment including information about our markets and customers.	
7. Our external analysis identifies key opportunities and threats.	
8. [We] analyze [our key metrics] objectively.	
9. Our internal analysis identifies the key strengths, weaknesses, and competencies of the organization.	
10. After reviewing our internal and external analysis, the strategic diagnosis culminates in identifying key strategic issues.	
11. [We] have a written strategy and make strategic decisions based on the strategic plan.	
12. [We] clearly assign responsibility for action plan implementation and [we] reconcile resource allocation and availability.	
13. We have an organized system for monitoring strategic progress.	
14. [We] review our strategic progress regularly and revise our strategic decisions as appropriate.	
15. The individuals responsible for strategic planning and implementation are rewarded for successful performance.	
	Total _____

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If your college or university scores 15-20 points, you have an excellent culture of strategic planning and management. If you score 21-30 points, you have a good foundation for strategic planning that needs a little fine-tuning. If you score 31-45 points, you have serious strategic planning and management deficiencies. And finally, if you score 46-60 points, your strategic planning and management efforts are critically deficient.

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CHAPTER 3

Organizational Culture, Paradigms, and the Fear of Change

"The major test of a modern U.S. university is how wisely and how quickly it is able to adjust to important new possibilities."

— Clark Kerr

Author and former chancellor at University of California at Berkeley

On most campuses, the three primary, overlapping, and sometimes confusing impediments to change are traditions and organizational culture, imbedded paradigms, and fear. This chapter explores these potential stumbling blocks and offers suggestions on how they might be overcome so the potential for change might be enhanced.

The tyranny of our traditions and organizational culture

Mark Emmert believes our ability to manage colleges and universities is constrained not so much by external forces but by traditions and organizational cultures that value convention and continuity. In his article, "The Tyranny of Our Traditions," he writes,

> Many members of the academic community typically meet proposals for transforming how we teach, conduct research, and organize ourselves with great concern and resistance. Their usual refrain: Any such changes will diminish quality and offend academic values. We even have difficulty discussing novel modes of instruction, new organizational arrangements, innovative research agendas, or new funding models, let alone adopting these initiatives. Our limited ability to change is predominantly self-imposed. We constrain ourselves. We often find ourselves stifled by the tyranny of our traditions.

One of the most critical considerations of strategic planning is the effect organizational culture will have on the planning processes, the plan itself, and its implementation. Terrence Deal and Allan Kennedy, writing in *Corporate Cultures: The Rites and Rituals of Corporate Life*, define organizational culture as, "the way we do things around here." In other words, an organization's culture guides decision making,

determines time and energy investments, chooses which facts are examined with care and which are summarily rejected, decides which options are looked on favorably from the start, and selects which types of people work for the organization.

Effects of organizational culture on planning

Strategic planners often lament how much they underestimated the impact organizational culture would have on the process and the plan itself. According to Deal and Kennedy, as well as Leonard Goodstein et al., the impact of organizational culture on both the process of planning and the resultant strategic plan needs to be anticipated. For example, will the organization even seriously consider engaging in strategic planning? Some colleges and universities simply cannot fathom the need to plan and prefer to be reactive rather than proactive.

Some college and university organizational cultures will find the need for objective soul-searching, which is so central to strategic planning, yet both difficult and painful. Needing to avoid conflict, these organizations may be in a perpetual state of denial. Such organizations blithely assume things are better than they are, that obstacles can always be overcome, and that reality can be conveniently reconstructed.

Some organizational cultures stress secrecy and avoid disclosure of even the most basic information. Budget and performance information is not shared. Meeting minutes are not distributed. Information is hoarded.

Accountability is avoided in some campus cultures. While some degree of comfort may exist within a committee or task force, individuals balk at the idea of being personally responsible.

Some campus cultures are so highly centralized that the idea of decentralized assessment, planning, and execution of action plans is foreign. Any involvement of mid-level managers, staff, or any faculty save the most senior leadership in planning is both token and sporadic.

Some campus cultures are punitive. Before progress can be made, it is important to blame the individuals and events that caused the institution to fall short.

And finally, some institutional cultures are so process-oriented that they seem to have little real need to make a decision. Their focus is on the debate itself, not the outcome and they have no sense of either time tables or lost opportunities. It is very likely that one or more of these cultures can be found on most campuses. The challenge is to anticipate and then overcome these potential barriers to strategic planning.

Dr. Perry Moore, provost at Wright State University said in a personal interview, "Developing rational proposals for change in a university is relatively easy; implementing such proposals is the challenge. Success depends upon the change agents' familiarity with the campus culture and their skills in presenting change as the natural evolution of the culture."

The power of our paradigms

Closely linked to the idea of organizational culture is the notion of "paradigms." While organizational culture may describe past activities that bind as often as they guide, paradigms can be even more constricting because they prevent institutions from seeing the future.

In *Future Edge: Discovering the New Paradigms of Success*, Joel Barker defines a paradigm as rules and regulations (written or unwritten) that establish or define boundaries and tell you how to behave inside the boundaries in order to be successful.

Paradigms as filters

Barker believes paradigms serve as psychological and perceptual filters. This means any data that does not fit or contradicts an individual's paradigm will have a difficult time getting through his or her perceptual filters. He calls this the *paradigm effect*. Says Barker, the paradigm effect makes individuals literally unable to perceive data right before their eyes.

This is a crucial insight. Many planners, myself included, erroneously believe obstacles can be overcome with stronger arguments; mere persuasion will suffice to move the recalcitrant. However, the reality of the paradigm effect forces a rethinking of this conclusion. People who believe strongly in their paradigms cannot see alternatives. Time for heart-felt conversation and education, more than persuasion, is what is needed.

Paradigms as code

Barker examines what he calls "code" for paradigms, words and phrases used to describe accepted practices and to define boundaries for accepted behavior. Think about how often we use these following terms in the daily routine of running colleges and universities: *Theory, Model, Methodology, Principles, Standards, Protocol, Routines, Assumptions, Conventions, Patterns, Habits, Common sense, Conventional wisdom,* and *Values.*

Paradigms in higher education

The dominant paradigms in higher education 20, 15 or even 10 years ago, were relatively clear and understood. Students attended full-time and lived in residence halls. Faculty taught in the same classrooms where students learned. Tenure and academic freedom were inextricably entwined. The liberal arts formed the bedrock of most academic programs. Private colleges believed they were consistently better than public ones. Faculty controlled what was taught and when. Student quality—and success—was measured by grades.

Today, most of these paradigms have been challenged, or in the vernacular of paradigmers, they have shifted.

Who shifts the paradigms?

Joel Barker believes outsiders change most paradigms—people and organizations who largely do not understand the prevailing paradigm in all its subtleties.

He offers four categories of paradigm shifters:

- A young person fresh out of training,
- An older person shifting fields,
- The maverick, and
- Tinkerers (more likely to be found in scientific and technical fields).

I believe Barker's answer is only partially correct. More likely than someone who doesn't understand the current paradigm, I suspect, is someone who doesn't care about the prevailing paradigm. In higher education, alternative providers are shifting paradigms using technology to meet the needs of increasing numbers of students in nontraditional formats. These shifters thoroughly understand higher education and see an opportunity to exploit some of its weaknesses. Witness, for example, the recent article, "7 Who Left" in the December 1999/January 2000 issue of *University Business*. The article was about seven college and university faculty and administrators who opted out of traditional higher education to affiliate themselves with windmill-tilting dot coms.

And higher education responds

To put would-be paradigm shifters in their place, faculty, staff, and administrators have developed a whole set of words and phrases to use when a new idea or innovation is proposed:

- "That's impossible;"
- "If we did that we would sacrifice quality;"
- "We don't do things that way around here;"
- "We tried something like that before and it didn't work;"
- "I wish it were that easy;"
- "It's against policy to do it that way;"
- "When you've been around a little longer, you'll understand;"
- "Who gave you permission to change the rules;"
- "How dare you suggest that what we are doing is wrong;"
- "What you are suggesting is absurd."

Absurd like three-year bachelor degrees. Absurd like corporate colleges. Absurd like colleges and universities offering bachelor's degrees in e-commerce. Absurd like traditional-age students seeking software certification rather than degrees. Absurd like earning a degree on the Net. Absurd like libraries without books.

Fear of change

Terrence Deal and Allan Kennedy say people form strong attachments to their organizational cultures; the traditions, legends, and rituals of their work life. Many times, they say, these attachments are overlooked in the change process and people become confused, insecure, and often angry. In the process of reorganization, presidents may topple heroes. A strategic assessment may introduce a new program ... or campus ... but may miss the fact that these initiatives undermine important institutional values. A decision to serve a different kind of student may leave faculty and staff torn between old loyalties and new responsibilities.

Unless something can be done to reduce threats and provide support for transitions from old to the new, cultural forces will neutralize a proposed change.

Robert Johnson, vice president of enrollment at Albion College, says almost nobody likes uncertainty or having to learn new ways of doing things. And too often, "change" only produces "change" and not beneficial outcomes. "Sometimes," he says, "it is as simple as that."

Change, fear, and the need to act ... or not

Before, during, and after the planning process, individual and group stakeholders (faculty, staff, administrators, and others) might fear these consequences:

- Loss of power and prestige,
- Reallocation or loss of resources,
- Loss of autonomy,
- Intrusion into their domains,
- Changing definitions of success,

- Altered reward systems,
- Technology, and
- Having to relearn.

Whether to assuage their fears or to derail the planning process, some campus stakeholders, especially faculty, resort to one of their favorite and most effective tactics—negative politics.

The usual roles of negative politics

Negative politics are rooted in the ability to nay-say and obstruct. Lacking the power to create change, negative politics focus on coalescing enough support to object in ways that impede change. For this reason, say Daniel Rowley et al., negative politics can be thought of as veto politics.

For example, I completed a combined strategic and marketing plan for a small, Catholic college in the Midwest. The research indicated that an accelerated major in business would generate not only significant student interest and tuition revenue, but also the interest of prospective donors. Almost every faculty group with whom we spoke was in favor of the new major. However, the chair of the faculty committee that approved new majors was not. He effectively killed the program when he refused to bring it to a vote of the faculty. His personal prejudices derailed a badly needed program.

To assess the likelihood of—and attempt to curtail—negative politics on your campus, begin by answering the following questions:

- What hot buttons will planning exercises trigger?
- Whose oxen will be gored?
- What procedures are likely to be invoked to delay or thwart the planning process?
- Can planning be linked to the concerns, interests, and procedures identified by the first three questions?
- Which groups are allies?

Nixon was right, sort of

A number of years ago, while working with a client in Missouri, I was taken by how few faculty were actually involved in debating critical issues. I reflected on this phenomenon and discovered two truths: The people who were ardent supporters of the plan were almost equal in number to the people who sought to undermine the planning process and the number of supporters and non-supporters totaled less than 20 percent of the stakeholders. The harsh truth is that nearly 80 percent of the stakeholders were non-participants.

THE FEW, THE LOUD, THE POLITICALLY SAVVY

When campus politics heats up, it is usually the result of a relatively few people. Most campuses provide inviting and open opportunities for politically oriented individuals to gain power in a faculty senate or other governing group.

With persistence comes power, and with this power these people begin to put their particular political agenda on the map. Again, much of this is good, and the political process can be beneficial in bringing new ideas and operational methods to the campus. But since most faculty choose the teaching profession not to deal in campus politics but to engage their disciplines in the classroom, most really do not seek involvement in these political groups. In fact, many actively seek ways of not being involved with them.

This leaves the road clear for those other faculty members who want to engage in the politics of the campus, and who perhaps have a particular ax to grind. Whether true or not, such people tend to be associated with the 'old guard' or with some of the tenured full professors who have, presumably, nothing better to do with their time. These are generally the ones who engage in the politics of the campus, and who also may be involved in the negative side of the equation. The great question is, then, do such people represent the bulk of their constituencies? Maybe, maybe not.

– Daniel Rowley et al. Strategic Change in Colleges and Universities (Jossey-Bass Publishers, 1997)

The tension between change and stasis

There is generally a stasis in colleges and universities between pressures for and against change. And while change may occur in increments, the likelihood is higher that change, especially lasting change, will occur after one or more of following upsets the equilibrium:

- A major threat or pressure from the external environment,
- An unanticipated opportunity,
- An internal crisis or set back, and
- New leadership.

Figure 3-1 depicts how these "forces" impact organizational change.

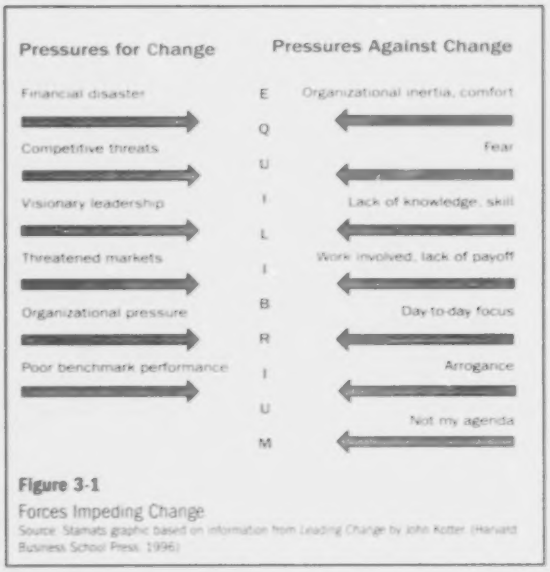

Figure 3-1
Forces Impeding Change
Source: Stamats graphic based on information from *Leading Change* by John Kotter (Harvard Business School Press, 1996)

Major threat or pressure from the external environment

In the mid 1990s, following a series of lawsuits and mounting public pressure, The Citadel became coeducational. Threats from the external environment may include

- Declining enrollment,
- Loss of accreditation,
- Falling rankings in guidebooks, and
- Competitors offering similar programs at a lower price point.

An unanticipated opportunity

In 1981, Macalester College received a gift of stock from DeWitt and Lila Wallace worth $10 million. Nine years later, that stock was worth $200 million. That gift, coupled with other gifts, keen leadership, and careful management, allowed Macalester not only to control its own destiny, but also challenged the college to think about its larger responsibility to serve society.

Unanticipated opportunities may include these:

- A major gift or donation,
- New legislation,
- Location of a new business or industry in your service area,
- Opportunity to collaborate with existing organizations in your area,
- Changing labor market, and
- One-time events such as the Olympics or a political summit.

STRATEGIES FOR REDUCING THE NEGATIVE IMPACT OF CAMPUS POLITICS (or better yet, enhancing the impact of positive politics)

Daniel Rowley et al. suggest that while it is almost impossible to totally blunt the impact of negative politics, some strategies and tactics might reduce it:

- Focus more on people than processes;
- Seek outspoken allies, especially among senior faculty and the board;
- Aggressively seek out and include political leaders in the process;
- Communicate often, well, aggressively, and openly;
- Deny opponents a reason to unite;
- Divide and wean factions; and
- Be patient and stay the course.

An internal crisis or set-back

In the mid 1990s, following that the bankruptcy of the New Era Foundation, a number of colleges and universities heavily invested in the fund found themselves without the necessary cash flow to finance short-term obligations. As a result, new buildings on some campuses were put on hold and some faculty and staff were let go.

Examples of internal crises or setbacks may include these:

- An accident or criminal incident on campus,
- Persistent negative publicity,
- Failed capital campaign,
- An ill-timed or managed name change or merger, and
- Loss of a key administrator or faculty member.

New leadership

In 1992, Muhlenberg College hired Arthur Taylor as president. According to *University Business*, since that time, enrollment at Muhlenberg is up 20 percent, SAT averages increased from 1075 to 1168, and alumni giving is up from 31 percent to 45 percent.

Examples of new leadership might include these:

- President,
- Academic dean,
- Chief finance officer,
- Board of trustee chair or member, and
- Faculty champion for an existing academic program.

These catalysts, either singularly or in tandem, can generate change.

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Change and renewal

While change and renewal are at the heart of strategic planning, they often represent significant challenges to both organizations and individuals. To help assess change readiness, I offer four different tools or strategies: strategies at the institutional and individual levels; a series of questions to help prepare the campus for change; and some overall strategies for affecting major change.

Assessing institutional change readiness

Robert Glenn of the Innovation Network was intrigued by the question: Why do some institutions thrive on constructive change while others seem to constantly create roadblocks to improvement?

His search for the answer led him to examine the influence organizational culture has on planning and change. To help him assess organizational cultures and their likely impact, Glenn developed a change audit (Figure 3-2) that encompasses nine broad areas of assessment.

The results of the change audit, which reveal likely obstacles or causes of failure, can help shape an action-oriented "change culture" agenda for top administration, says Glenn. A second benefit is that hard data can be easily gathered through interviews, focus groups, and surveys. Many people regard issues related to culture as unquantifiable or too "soft and fuzzy"—and therefore unmanageable. With these data, you can precisely define desired characteristics of the institution's culture, as well as what must change to accomplish new ends.

The point of such an audit is not to simply make your culture "stronger" or "better" in some undefined fashion, but instead to focus on specific ways to make the organization more willing and amenable to change. Use an audit tool like the one in Figure 3-2; see where your institution falls in each measure of readiness.

Assessing individual change readiness

After assessing institutional readiness for change, it is often useful to assess the change readiness of key individuals on campus. Robert Kriegel and David Brandt, writing in *Sacred Cows Make the Best Burgers*, developed an insightful change-readiness test. (See Figure 3-3.)

Scoring the "Change-Ready Profile" test

The "test," as I see it, measures key traits of change readiness:

- **Resourcefulness:** Add up the scores for questions 6, 13, 20, 27, and 34. Optimal range is a score of between 22 and 26. Resourceful people are effective at making the most of any situation and utilizing whatever resources are available to develop plans and contingencies. They see more than one way to achieve a goal and they're able to look in less obvious places to find help.
- **Optimism:** Add up the scores on questions 5, 12, 19, 26, and 33. Subtract this number from 35 for your score. Optimal range is between 22 and 26. This scale measures whether people have a positive view of the future and of change. Note, too, that people with very high optimism scores may lack critical-thinking skills.
- **Adventurousness:** Add up the scores to questions 1, 8, 15, 22, and 29. Subtract this total from 35 for your score. Optimal range is between 22 and 26. Two ingredients capture the adventurous personality: the inclination to take risks and the desire to pursue the unknown. Keep in mind that scores over 26 might indicate a tendency toward recklessness.
- **Drive:** Add up the scores to questions 4, 11, 25, 28, and 32. Optimal range is between 22 and 26. Passion is the fuel that maximizes all the other traits. High scorers, though, may be headed for burnout.
- **Adaptability:** Add up the scores to questions 3, 10, 17, 24, and 31. Subtract this total from 35 for your score. Optimal scores range from 22 to 26. Adaptability comes from two elements: flexibility and resilience. Flexibility involves shifting expectations. Resilience is the ability to rebound from adversity quickly with a minimum of trauma. Scoring high may indicate a lack of commitment.
- **Confidence:** Add up the scores to questions 2, 9, 16, 23, and 30. Optimal range is between 22 and 26. If optimism is the view that the situation will work out, confidence is the belief in your own ability to handle it. There is both situational confidence and self-confidence. There is a direct correlation between levels of confidence and receptivity to change. If people feel confident in their ability to handle a new task, they'll be more receptive to it and more positive about it.
- **Tolerance for ambiguity:** Add up the scores to questions 7, 14, 21, 28, and 35. Subtract this number from 35 for your score. Optimal range is between 22 and 26. Without a healthy tolerance for ambiguity, change is not only uncomfortable, but also downright threatening.

Preparing the campus for change

The third tool is a set of questions to help prepare the overall campus for change. These questions, developed by Peter Senge et al., writing in *The Dance of Change*, are designed to help focus an organization—and its stakeholders—on

Change is More Easily Accomplished When	Change is More Difficult When
Awareness of the Need for Change	
There is widespread understanding, universally shared among senior management, that the institution must operate in a fundamentally different way to succeed.	The institution sees little need for change. There is a belief that the institution is fundamentally strong and must continue on its traditional path.
Sponsorship/Leadership	
Sponsorship originates from a senior level; for example from the president, provost, or other persons who have earned respect across campus. Leadership is at a high level in the institution. It assumes direct responsibility for what must be changed and has clear results in mind. In many successful change initiatives, the leader and sponsor may be the same person. (This tends to give the effort added emphasis.)	Sponsorship originates from mid-level persons in the organization, such as an academic department chair or director who is a part of the administrative staff. Leadership originates from lower levels of the institution. It is not well connected across departmental or organizational boundaries. It primarily emanates from a staff organization such as the business or information technology office.
Direction/Motivation	
Top administration strongly believes the future must look different from the present and has a clear vision of what that future should be. All relevant parties across the campus—students, faculty, and staff—are mobilized to share a sense of urgency for achieving this vision.	Prevailing attitude is that only minor change is needed. A sense of urgency is difficult to create where faculty and staff are tradition bound. (That is the way we have always done things here.)
Linkage	
Initiatives are linked to top administration's vision and other ongoing efforts—for example, ensuring that a reengineering project fits with a TQM process.	Change efforts are isolated. Multiple efforts do not appear to be linked strategically.
Organization Design/Morale	
The institution has exhibited flexibility to change—reorganizations, when required, are well received because these moves corrected recognized shortcomings. Flexibility and the success of change are enhanced by a flat hierarchy and minimal staff grade levels. The faculty and staff enjoy working in this type of organization and readily assume a high level of individual responsibility. The institution always seems to be experimenting, new ideas are implemented with little effort, and personnel cross internal boundaries without much trouble.	A rigid structure is frozen in the past, or reorganization is frequent, with little success—signs that the culture fights change by waiting it out. A peaked hierarchy slows decision making by creating large numbers of people with the power to block change. Such "red tape" as multiple signoffs enforces this barrier. Much mistrust abounds—between faculty and administration, departmental management and staff, or among departments. Personnel must go through several channels and may be dissuaded from working with other departments or functions.
Customer/Competitor/Market Knowledge	
A consistent effort to 1) regularly develop a clear understanding of the attitudes, needs, and satisfaction levels of the institution's customers (students, parents, alumni, employers, etc.), 2) systematically compare campus performance at a detailed level with that of competing institutions, and 3) objectively monitor the higher education "market" for signs of fundamental change. The data is widely distributed. The more the campus is exposed to such facts, the more likely agreement on needed change is reached.	Knowledge of customers, competitors, and the market is mostly anecdotal (informal student contact, discussions with attendees at a conference, casual information gleaned from Internet or literature searches). Several "competing" anecdotes or sets of data exist. The Office of Institutional Research is weak, unfocused, or non-existent. "Pockets" of useful data or knowledge (such as financial performance or retention statistics) are isolated to parts of the campus and not shared widely.
Communication	
Several means of effective user friendly, two-way communication reaching all campus levels. All employees understand strategic direction and imperatives. Upward communication occurs in an effective, open and non threatening manner.	Campus wide communications media are few, often unread, and almost exclusively one-way and top-down. The predominant communications are within the department or committee, with limited sharing elsewhere on campus. The "rumor mill" is alive and well.
Decision Making	
Decisions are made quickly and efficiently, allowing a wide variety of input and suggestions, but ensuring that final decisions are fact based. Responsibility for where decisions are made is clear.	Decisions come slowly and are made by a loosely structured committee or a mysterious "them." A lot of conflict occurs during the process. Confusion and finger pointing abound after decisions are announced.
Rewards	
A climate is fostered that encourages and rewards the top performers. Personnel are rewarded for taking risks, being innovative and looking for new solutions. Team-based rewards are widespread.	The best employees leave and the worst stay. Those who cannot or will not perform are allowed to subvert school goals. Rewards reinforce a culture where continuity is favored and risk taking is discouraged. Rewards are based solely on individual achievement.

Figure 3-2
Assessing Institutional Change Readiness
Source: Robert Glenn, Innovation Network. Reproduced here with permission.

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both the idea of change and what change might have to offer:

- Why is change urgent? Are we driven by external forces? By a crisis? Or by our collective desire to create something together? Why might this effort actually matter?
- Who wants it to happen? Who (in or out of the group) has set change as a priority? Are there clearly defined sponsors of the change effort? Are we aware of their needs and the pressures they feel? What might be the reasoning behind their requests?
- What results do we want to produce? What, specifically, is the change we are seeking? If the change takes place, what will that get us? How will our efforts benefit our customers?
- How will we change? What kinds of new capabilities will we need to develop? And how will we develop them? Which aspects of our current work and practices will be affected by the change? What challenges do we expect to face? And how could we prepare for them?
- Who will be involved? Will the change initiative mean new activities for everyone on the pilot group? Should other people (inside or outside the group) be included?
- Where is our support? In the organization at large, what is the reputation of our group, and of our sponsor? Will that help or hinder us?
- What do I, personally, have to do? When will the change initiative begin? What steps do I need to take, in which domain? What do I hope to learn? What skills and capabilities would I like to gain? And what do I want to do first?

Affecting major change

This final set of tools, developed by John Kotter in *Leading Change*, outlines a series of concrete actions that will help increase the likelihood that change will be truly transformational. (See Figure 3-4.)

First, determine if there is a sense of urgency. If not, change, especially lasting change, will be unlikely.

Second, create a guiding coalition or a strategic planning coordinating/steering committee. More than a group of people who guide the process, this committee must aggressively and outwardly believe not only in change, but in strategic planning.

Third, develop a vision. What is the future of the institution to look like? Make it passionate and heartfelt.

Fourth, communicate well and widely.

Fifth, empower a broad-based coalition. The vision must be widely felt, it must captivate the 80 percent in the middle.

Next, generate short-term wins. While strategic planning is concerned with the future, people want to see things happen now.

Seventh, consolidate gains. Leverage short-term wins to convert malingers.

And finally, anchor new approaches in the culture. Initiate organizational change. Change processes. Change reward systems. Redefine institutional and personal success.

WE NEED TO MOVE SLOW, OR DO WE? (The case against gradualism)

Richard Farson suggests that in most of our efforts to bring about change we are counseled to take a gradual approach. He says in *Management of the Absurd: Paradoxes in Leadership*, "The metaphor usually applied in these cases—that we must crawl before we can walk; and walk before we can run—seems to make good sense. But it may be that in the area of human affairs, that is not always the best counsel."

Physician Dean Ornish, in arguing for a strict diet regimen, says "It is easier to make big changes rather than small ones because the benefits are so much more dramatic and they occur so much more quickly."

Certainly, in the pursuit of civil rights in America, it is not at all clear that gradualism has worked that well. Martin Luther King refers to the "tranquilizing drug of gradualism." The bold act that dramatically and quickly brought about racial integration in a major institution was President Harry Truman's elimination of Jim Crow laws in the armed services. Segregation in the military yielded not by gradualism but by massive immediate change, albeit resented and resisted. Conversely, other gradual approaches to integration have created resentment and resistance while failing to bring about necessary change.

Change at Rice University

As part of its strategic planning process, Rice University established the strong need for change by identifying driving marketplace forces that it had to respond to. This discussion occurs at the very beginning of the strategic plan and is introduced with the following paragraph:

> Our successes notwithstanding, Rice University faces serious challenges in the years ahead that will require a substantial, sustained commitment to planning for our future. Some of these challenges arise out of the inherent tensions within the founding vision of the University; others arise out of a rapidly changing national and international context.

The document then reviews the internal and external rationale for planning. The external rationale is divided

Focus on your performance at work. Answer each question honestly. Circle the number that most accurately describes your beliefs and behaviors as they actually are, not as you would like them to be or think they should be.
Not like me = 1 2 3 4 5 6 = Exactly like me

1. I prefer the familiar to the unknown.	1 2 3 4 5 6
2. I rarely second-guess myself.	1 2 3 4 5 6
3. I'm unlikely to change plans once they're set.	1 2 3 4 5 6
4. I can't wait for the day to get started.	1 2 3 4 5 6
5. I believe in not getting your hopes too high.	1 2 3 4 5 6
6. If something's broken, I'll find a way to fix it.	1 2 3 4 5 6
7. I get impatient when there are no clear answers.	1 2 3 4 5 6
8. I'm inclined to establish routines and stay with them.	1 2 3 4 5 6
9. I can make any situation work for me.	1 2 3 4 5 6
10. When something important doesn't work out, it takes me time to adjust.	1 2 3 4 5 6
11. I have a hard time relaxing and doing nothing.	1 2 3 4 5 6
12. If something can go wrong, it usually does.	1 2 3 4 5 6
13. When I get stuck I'm inclined to improvise solutions.	1 2 3 4 5 6
14. I get frustrated when I can't get a grip on something.	1 2 3 4 5 6
15. I prefer work that is familiar and within my comfort zone.	1 2 3 4 5 6
16. I can handle anything that comes along.	1 2 3 4 5 6
17. Once I've made up my mind, I don't easily change it.	1 2 3 4 5 6
18. I push myself to the max.	1 2 3 4 5 6
19. My tendency is to focus on what can go wrong.	1 2 3 4 5 6
20. When people need solutions to problems, they call on me.	1 2 3 4 5 6
21. When an issue is unclear, my impulse is to clarify it right away.	1 2 3 4 5 6
22. It pays to stay with the tried and true.	1 2 3 4 5 6
23. I focus on my strengths not my weaknesses.	1 2 3 4 5 6
24. I find it hard to give up on something even if its not working out.	1 2 3 4 5 6
25. I'm restless and full of energy.	1 2 3 4 5 6
26. Things rarely work out the way you want them to.	1 2 3 4 5 6
27. My strength is to find ways around obstacles.	1 2 3 4 5 6
28. I can't stand to leave things unfinished.	1 2 3 4 5 6
29. I prefer the main highway to the backroad.	1 2 3 4 5 6
30. My faith in my abilities is unshakable.	1 2 3 4 5 6
31. When in Rome, do as the Romans do.	1 2 3 4 5 6
32. I'm a vigorous and passionate person.	1 2 3 4 5 6
33. I'm more likely to see problems than opportunities.	1 2 3 4 5 6
34. I look in unusual places to find solutions.	1 2 3 4 5 6
35. I don't perform well when there are vague expectations and goals.	1 2 3 4 5 6

Figure 3-3
Change-Ready Profile
Source: From *Sacred Cows Make the Best Burgers* by Robert Kriegel and David Brandt. (By permission of Warner Books, Inc.) This test is copyrighted material that may not be reproduced without the authors' permission. A standardized validated version of the Change-Ready Profile is available from Kriegel (530) 430-1700.

into the following sections:

- Public support of higher education,
- Advances in technology,
- Diversity and internationalization, and
- The changing nature of work.

The entire "case for change" for Rice University may be found in Appendix D.

Conclusion: Creating a shared belief that change is possible ... and essential

One of the best counters to the negative impact of tradition, a preoccupation with current paradigms, and a fear of change, is to create a belief in the importance of change and the strategic planning processes. Such a belief system will have a handful of basic elements:

- A persuasive vision of the future,
- An inclusive approach to planning that stresses people over process, and
- Ongoing and aggressive communication.

These elements, or themes, will be introduced more fully in the chapters that follow.

Additional reading

If you are interested in books and articles on organizational culture and change you need to begin with Terrence Deal and Allan Kennedy's extremely thought-provoking book *Corporate Cultures: The Rites and Rituals of Corporate Life*. Two other outstanding resources are Peter Senge's *The Fifth Discipline* and his companion book, written with several colleagues, *The Dance of Change*. For the long view, take a look at Rosabeth Moss Kanter's *The Change Masters: Innovation and Entrepreneurship in the American Corporation*. Her second book, *The Challenge of Organizational Change*, is also an excellent resource. Another extremely intriguing book is Joel Barker's *Future Edge: Discovering the New Paradigms of Success*.

Two other recommendations, both by Michael Cohen and James March, are notable: "A Garbage Can Model of Organizational Choice" and *Leadership and Ambiguity: The American College President*.

1. Establishing a Sense of Urgency
- Examining the market and competitive realities
- Identifying and discussing crises, potential crises, or major opportunities

2. Creating the Guiding Coalition
- Putting together a group with enough power to lead the change
- Getting the group to work together like a team

3. Developing a Vision and Strategy
- Creating a vision to help direct the change efforts
- Developing strategies for achieving that vision

4. Communicating the Change Vision
- Using every vehicle possible to constantly communicate the new vision and strategies
- Having the guiding coalition role model the behavior expected of employees

5. Empowering the Broad-Based Action
- Getting rid of obstacles
- Changing systems or structures that undermine the change vision
- Encouraging risk taking and nontraditional ideas, activities, and actions

6. Generating Short-Term Wins
- Planning the visible improvements in performance, or "wins"
- Creating those wins
- Visibly recognizing and rewarding people who made the wins possible

7. Consolidating Gains and Producing More Change
- Using increased credibility to change all systems, structures, and policies that don't fit together and don't fit the transformation vision
- Hiring, promoting, and developing people who can implement the change vision
- Reinvigorating the process with new projects, themes, and change agents

8. Anchoring New Approaches in the Culture
- Creating better performance through customer- and productivity-oriented behavior, more and better leadership, and more effective management
- Articulating the connections between new behaviors and organizational success
- Developing means to ensure leadership development and succession

Figure 3-4

The Eight-Stage Process of Creating Major Change

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CHAPTER 4

Leaders and their Followers

"I must follow the people. Am I not their leader?"

— Benjamin Disraeli
Former British Prime Minister

I remember it as if it happened yesterday. I was in the middle of a two-day visit to a client in the Pacific Northwest. Right before my arrival, the president had resigned. A board member suggested we hold an all-campus meeting to discuss the characteristics and qualities the university should seek in its new president.

The meeting began poorly and went downhill. "What we need," said the faculty president, "is leadership!" Others concurred, and the focus of the meeting quickly became the quality of the existing leadership.

For about half an hour the current president sat … and listened. Finally, red-faced and white-knuckled, he stood. "Leadership," he said, "you don't want leadership. None of you want to work with a leader. You don't care about anything but yourselves. No leader in their right mind would come to this campus. You assassinate your leaders. You sue them. You stall and pretend you're discussing. You are not really interested in leadership because none of you are interested in following."

When the president was done, he walked out of the room. The response was quick. "What does he know?" someone said. "He's no leader."

Leaders and their followers

I have been reminded of that incident countless times when, during visits to campuses and association meetings, someone mentions the acute need for leadership. Many, even most, of the people with whom I speak seem inclined to blame almost all the problems facing colleges and universities on leadership. At the same time, these people are much less interested in examining their own role in the leader-follower relationship.

Reluctant followers

Of course, we are all followers. Presidents follow the leadership of boards. Vice presidents follow presidents, and associate VPs, assistant VPs, and directors all follow their vice presidents. In a hierarchical organization, and higher education certainly falls into this category, this is the natural order of things, at least historically.

It is not necessarily the case of the present and future. Things have become more complicated in our day and age, any discussion of followership opens a can of worms that includes issues of self-worth, political correctness, autonomy, accountability, and, most certainly, ego.

At many levels, there is deep discomfort with the term follower. Ira Chaleff, in *The Courageous Follower*, notes that the term follower "conjures up images of docility, conformity, weakness, and failure to excel." Chaleff says, "Often, none of this is the least bit true. The sooner we move beyond these images and get comfortable with the idea of powerful followers supporting powerful leaders, the sooner we can fully develop and test models for dynamic, self-responsible, synergistic relationships in our organizations."

Not too long ago I was at a college in the Midwest, and I asked a group of administrators who the leader was. They all agreed the president was the leader. I then asked if they were followers. Almost every person voiced concern about the label follower. "We are members of the same team," one administrator said. "We are colleagues," said another. Another liked to call herself a "collaborator." Even when they later agreed an important part of their job was to enable the vision and policies of the president, they still had difficulty identifying themselves as followers. "We are," as one administrator noted, "very reluctant followers."

Types of followers

Based on my experience working in and for organizations, and on the reading and interviews I completed, I found five types of followers:

1. The exceptional follower,
2. The active-passive follower,
3. The alienated follower,
4. The reluctant-resistive follower, and
5. The saboteur.

Exceptional followers, especially those who work closely with the leader, actively participate in the decision-making process with the leader and support the decisions. He or she both challenges—in part by asking the tough questions—and encourages the leader. And finally, the exceptional follower defends the leader.

There is another type of follower that looks and sounds like an exceptional follower but really is not. During meetings, especially those involving the president, this follower may express enthusiasm and excitement. But away from the meetings, this follower's actions and demeanor change. While this person may appear to be an exceptional follower on the outside, his or her false commitments and hollow smiles are the trademark of the saboteur.

Active-passive followers are much more situational in their relationship to the leader. If they like a particular decision, they are likely to be active supporters. If they do not like a particular decision, they are likely to be passive supporters. These followers owe their allegiance not to the leader, but to the decision.

The alienated follower has largely withdrawn from the leader-follower relationship and contributes neither to the decision-making process nor to supporting the resulting decision or the leader.

Reluctant-resistive followers are beginning to actually oppose the leader and his or her decisions. They may miss meetings, ignore memos, or slow the process.

At the end of the continuum is the saboteur. The goal of the saboteur is to actively, but quickly, undermine the leader. Organizations cannot survive with saboteurs. And organizations will seldom thrive with great numbers of followers that are alienated, reluctant-resistive, or active-passive. In order for organizations to meet the challenges of today and tomorrow and flourish, they need exceptional followers.

One president, who asked to remain anonymous, commented on the need for exceptional followers. "I cannot imagine," he said, "completing my job without exceptional followers. It is their advice, direction, trust, and loyalty that I rely on most." Somewhat jokingly he added, "My one great fear is that my closest followers will someday realize that it is they who are running things, not me."

The leader-follower relationship

Robert Smith, provost at Slippery Rock University in Pennsylvania, says it is dangerous to think of leaders and followers as separate entities. "Instead," notes Smith, "it is the interplay of leaders and followers that defines the working relationship. And this interplay is dependent not only on the traits of leaders, but also the traits of followers." Exceptional followers must, at least to some degree, be willing to "meld" themselves and their traits around those of the leader. In an ideal relationship, leaders must exhibit some flexibility as well.

In many respects, the relationship between a leader and a follower is analogous to a marriage. When there is

give and take, mutual respect and trust, and common direction, chances are both leader and follower (like wife and husband) will change as a result. Smith asks, "Is the interplay between a leader and a follower symbiotic and catalytic, or is it debilitating? Is there a long-term commitment? Is there a willingness on the part of both the leader and the follower to modify their individual behavior to benefit the relationship? Is there a desire for and even an expectation of personal growth?"

In a personal interview, Christopher Johnston, director of development at the University of the Pacific, uses the term "peopleship" to describe the relationship between leaders and followers. Johnston notes, "The success of the leader and his or her followers is derived from similar qualities: an ongoing evaluation of self and others, the ability to listen to and learn from others more knowledgeable than yourself, and, ultimately, to effectively act together. Relationships, partnerships, and a deep appreciation for people are the keys."

Responsibilities of the exceptional follower

Actively supporting a leader's decisions is the primary responsibility of the exceptional follower. This means working cooperatively and conscientiously, extending the leader's vision to and through subordinates, and perpetuating an atmosphere of trust and support.

One president at a college on the West Coast said, "I depend a great deal on my executive assistant to be my ambassador on campus. I can't get to every important meeting or respond to every memo and she often acts in my place. She listens. She communicates the rationales for my decisions. She sometimes helps defuse misunderstandings. She reminds me to get out of my office and wander around campus."

Here are a few important strategies that exceptional followers may use to increase support for the leader and his or her decisions:

- Stress the need for dialogue before important decisions.
- Develop a realistic timeline for decision making.
- Refuse to engage in criticism of the leader with subordinates.
- Keep communication channels to the leader open.
- Remind the leader to spend time among subordinates, and
- Keep in mind that how a decision is communicated is often as important as the decision itself.

A second role for exceptional followers is to challenge the leader when they feel the leader is making a mistake. In fact, most of the leaders with whom I spoke said this quality was one of the followership skills they cherished most. "I have no reason to believe that the decisions I make are always right," says Dr. Robert Johnson, vice president of enrollment at Albion College, "but I'm paid to make them. If someone that works for me feels that I am making a mistake, it is not just their right to voice their concerns, but their responsibility. One of their jobs is to help me make better decisions."

Chaleff, in his book *The Courageous Follower: Standing Up To and For Our Leaders*, reminds us there is little value in standing up and giving leaders feedback they cannot or will not hear. The exceptional follower must find ways leaders can receive the feedback they need. Chaleff's comments remind us, "We can minimize defensiveness by prefacing our feedback with a defusing statement that conveys respect and reminds the leader of the value of honesty. Leaders are more likely to pay attention to feedback if we link it to outcomes they desire, to what motivates them."

Robert Kelly, in *The Power of Followership*, offers three important guidelines for when exceptional followers must disagree with their leaders.

To begin, they must talk to the leader privately rather than unloading on him or her in a public forum. Exceptional followers must also pay attention to the timing and try not to approach the leader when he or she is dealing with a crisis or a deadline. Finally, when they sit down with the leader, they must try to present the issue as a joint problem that needs to be discussed, rather than the leader's stupid decision. They should state the issue clearly and succinctly from their viewpoint and have the facts straight and at hand.

The next essential characteristic of the exceptional follower is encouragement. Statistics support the brutal truth that it is lonely at the top. Ten years ago, the average tenure of a college president was seven to eight years. Now the average tenure is four years—and dropping.

One president I interviewed said, "Every time someone calls, schedules a meeting, or even approaches me at a basketball game, I start a mental clock ticking to measure how much time passes before they ask me for something. Everyone has their hand out." Another president said, "No one ever invites me to a racquetball game or to a casual lunch. Everything is always business. I'm always on stage."

As basic as it may sound, strategies to encourage the leader may be as simple as a word acknowledging their work, an offer to share a quick lunch, or recommending a book or movie. Encouragement means approaching and recognizing the leader as a human being and not just as the

leader. Just as followers enjoy and need to be appreciated and encouraged, leaders do as well.

The fourth attribute of an exceptional follower is the willingness to defend the leader. When I asked leaders to describe the qualities and characteristics of exceptional followers, I was surprised at how many said loyalty. When I probed, I discovered that loyalty exists on two planes—loyalty to the leader as an individual and loyalty to the decisions that the leader makes.

Loyalty to the leader as an individual is essential. Says Chaleff, "Sometimes there is a lot of behind-the-back complaining about a leader. While complaints may be legitimate, this form of addressing them is not. It creates an atmosphere of diminished mutual respect, increased alienation, and lackluster implementation of strategy. When we encounter it, we need to defend our leaders. Followers have a responsibility to serve leaders by defending them from unjust criticism, by assuming additional responsibilities when needed, by presenting options for handling problems, and by assisting in crisis management."

Exceptional followers must also be loyal to the leader's decisions. If followers cannot support a leader's decision, then they must reassess their role and relationship to the institution and the leader. In some cases, they should leave the organization. At no time should followers be allowed to actively undermine a decision a leader has made. Says George Keller in *Academic Strategy*, "Most of the key people need to be on board the strategy train when it leaves the station. Participation is imperative. There need not be full consensus. There seldom is. Dissent must be permitted, although sabotage should not be."

Qualities and characteristics leaders expect from exceptional followers

I queried college and university leaders to describe the qualities and characteristics they most sought and admired in followers. These leaders believe exceptional followers have these qualities:

- High self-esteem,
- Intelligence,
- Enthusiasm,
- Strong communication skills,
- Initiative,
- Energy,
- Courage, and
- Political astuteness.

And the two qualities listed most valued by leaders? Cooperation and loyalty. Smith of Slippery Rock writes, "Leaders have expectations from followers. They function best with followers who are cooperative, dependable, and loyal. Cooperation suggests a level of conformity that increases the efficiency and power of the group. Dependability relieves the leader's need to constantly monitor task behaviors and devote more time to meeting the expectations of the followers. Loyalty provides the leader with a measure of risk taking. The more loyalty, the more the leader can move the group in mutually desirable directions and the more flexibility the leader has in redirecting the group when things go wrong or they face challenges in the relationship."

Helen Washburn, president of Cottey College, said that the followers she values most express a "belief in the mission and purposes of the institution … and the ability to work collaboratively with colleagues." Washburn feels followers "give praise to others and share recognition with the team" and have a "willingness to offer feedback and share information." She also says exceptional followers possess high personal integrity.

A missing ingredient?

None of the presidents and vice presidents I interviewed listed technical skills as "essential" characteristics of exceptional followers. There were no comments about planning, budgeting, or computer skills. As a whole, leaders do not value acquired skills as much as personal qualities. In the words of one president, "The qualities that make exceptional followers cannot be learned from a textbook; they flow from an individual's character. They are matters of heart."

Strategies for cultivating exceptional followers

One mark of a great leader is a willingness to nurture the growth of exceptional followers. When asked how to do so, the presidents and vice presidents I talked to responded:

- Identify people in the organization who have demonstrated skills and work to increase the variety and complexity of assignments they receive;
- Never undermine their authority;
- Share the credit;
- Mentor followers who hope to assume larger leadership roles;
- Encourage and enhance dialogue;
- Heighten their sense of accountability for the decisions they make;
- Keep their confidences; and
- Empower them.

QUALITIES AND CHARACTERISTICS FOLLOWERS EXPECT FROM LEADERS

Because followership does not occur in a vacuum, it is important to acknowledge what followers need from leaders.

While conducting research for *Credibility: How Leaders Gain and Lose It; Why People Demand It*, James Kouzes and Barry Posner, asked hundreds of middle managers to list the characteristics they looked for and most admired in their leaders. They were

- a forward-looking outlook,
- inspiration,
- competence,
- fair-mindedness, and
- honesty (the characteristic valued more by followers than any other.)

One follower I interviewed for this book said, "the most important quality I look for in my leader is honesty. If you can't trust your leader, then all the other skills and attributes they may have simply don't matter that much. Honesty is not a core value—it is the core value.

Asked to describe the most important leadership skills, Alan McIvor, vice president of enrollment services at Beloit College, responded with "vision, integrity, and courage." Robert Massa, dean of enrollment at Dickinson University, described a strong leader as articulate, a visionary, a cheerleader, a listener, compassionate, and predictable. Richard Crawford, assistant to the president at St. Francis College in Loretto, Pennsylvania, added that leaders should be: risk-takers, collaborators, resource-bringers, and rapport-builders.

William Hamm, former president of Waldorf College and new president of the Foundation of Independent Higher Education, noting that he is also a follower, said he relishes these requirements for a leader: a) discernment of what is right and good, b) acting on that discernment, and c) telling people what you are doing and why. He also said that leaders must imbue humility and friendliness—what he calls vital human qualities for successful leadership in most organizations. Finally, Hamm mentions that "leaders must possess knowledge of or about what is being led, willingness to share the spotlight and share the glory with others, and a willingness to take responsibility for mistakes."

HOW LEADERS UNDERMINE FOLLOWERS

At many institutions, leaders make it difficult for followers to support them. I asked a number of reluctant and alienated followers if there was a consistent failing among leaders that prevented them from being enthusiastic, even exceptional, followers. While their examples and illustrations were varied, I found four leadership failures that undermine followership.

Leaders without vision: "She constantly changes her mind about important issues. There is no consistent vision. Everyone is going in circles and nothing important ever gets accomplished."

Leaders who refuse to listen: "My president believes that he is always right. He simply will not listen. His body language, demeanor, and how he speaks to his staff constantly reinforce the impression that he knows more than anyone. After a while we just give up trying to contribute."

Leaders who cannot make a decision: "We have three strong vice presidents who often have different approaches to solving a problem, and the president refuses to take charge and make a decision. As a result, we spend all of our time rehashing the same things. He calls it consensus management. We call it a waste of time."

Leaders who betrayed a trust or were dishonest: "I listened to the president tell a major donor how a gift would be used. After the meeting, the president told me if he had told the donor how he really wanted to use the money, then the donor would have balked."

Michael Ferrari, chancellor of Texas Christian University, agrees. "Exceptional followers are vital to the building of a great university. As chancellor, it is my job to challenge trustees and faculty and staff with a vision and meaningful information on issues facing the university, engaging them openly and vigorously in planning and decision making, seeking their counsel on important topics, and recognizing their role in making exciting things happen at the university."

John Kellogg, vice president for enrollment and planning at Simpson College, says, "In my experience, good followers become so if they feel important to the effort and, most of all, feel appreciated and respected. It is very important for the leader to convey this. I try to make my people feel as if they are working with me rather than for me. It is important for leaders who select good followers to just let them do their jobs with little interference. Good leaders respect the expertise of their followers."

Empowering followers

One of the most important things leaders can do for followers is to empower them. Rosabeth Moss Kanter reminds us that an organization in which followers are ignored, unappreciated, and overlooked is an organization in deep peril. Adding a sad twist to a well-known comment on power, Kanter notes, in her book *The Challenge of Organizational Change: How Companies Experience It and Leaders Guide It*, that "powerlessness corrupts and absolute powerlessness corrupts absolutely."

People who feel powerless, noted James Kouzes and Barry Posner, tend to hoard whatever shreds of power they do have. Powerless managers tend to adopt petty and dictatorial management styles. Powerlessness creates organizational systems where political skills become essential, and "covering" yourself and "passing the buck" become the preferred styles for handling interdepartmental differences.

Kanter cites four strategies to help leaders empower their followers:

- Give people important work on critical issues;
- Give people discretion and autonomy over their tasks and resources;
- Give people visibility and provide recognition for their efforts; and
- Build relationships for your people, connect them with powerful people, and find them sponsors and mentors.

Ferrari of Texas Christian University notes "Followers will perform at high levels if they are given challenging tasks, encouragement to excel, support in attaining ambitious goals, and recognition and commendation for exceptional performance and results, including inevitable failures along the way. Exceptional followers are created and empowered only by, with, and through exceptional leaders."

A final word on followership

The responsibility of the exceptional follower is to serve the leader and the organization. Indivisible from this first responsibility is the responsibility of the leader to nurture exceptional followers. Organizations that do not recognize these twin responsibilities will attract neither the leaders nor the followers they need to flourish. Says Ferrari, "It is hard to imagine how a college or university can thrive in today's competitive and changing environment without the shared enthusiasm, energy, and passions of both leaders and their followers. Inspired people working together will be the architects of the great universities of the 21st century."

Additional reading

While a great deal of literature exists on leadership, very few resources are available on followership. Excellent choices are Ira Chaleff's *The Courageous Follower: Standing Up To and For Our Leaders*, Robert Greenleaf's *Servant Leadership: A Journey into Legitimate Power and Greatness*, Eugene Habecker's *Leading with a Follower's Heart*, and Robert Kelly's *In Praise of Followers*. While not focused directly on followership, Max De Pree's *The Leader's Legacy* is also a good investment of your time.

CHAPTER 5

Overview of the Strategic Planning Process

"Inch by inch, it's a cinch."

— American proverb

I had four goals in mind as I refined the strategic model used in this book. First, I wanted a model that would be both simple and reasonably dexterous. Second, the model should be useful for a variety of colleges and universities in a wide range of contexts. Third, it should stress people over processes. And finally, it should not scare away or befuddle the novice planner or be of scant use to the planner with higher levels of experience and sophistication.

Overview of the process

To accommodate the goals outlined above, I developed a seven-step strategic planning process:

1. Lay the foundation,
2. Clarify and affirm core values,
3. Establish a vision for the future,
4. Assess your environments,
5. Identify strategic issues,
6. Develop strategies, and
7. Implement the plan.

A diagram of the planning process is presented in Figure 5-1. This chapter is an overview of the key steps that will be explained in more detail in subsequent chapters.

Much as I tried to avoid it, there is a technical side to strategic planning. To help you navigate these technical waters, terms and definitions can be found in Appendix B. It will be helpful to review these terms before you proceed to Chapter 6.

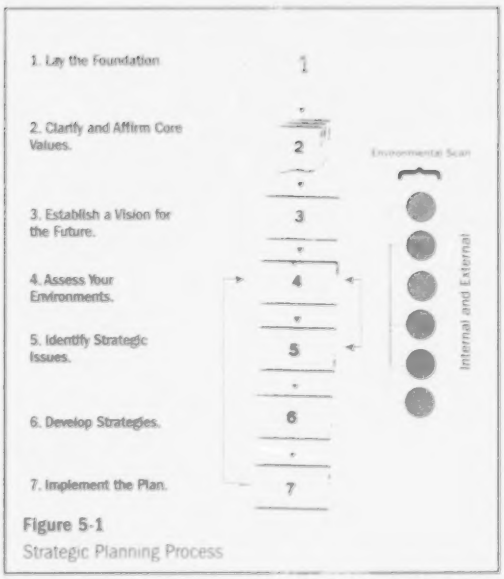

Figure 5-1
Strategic Planning Process

Vision as prefix or suffix

You may be surprised to notice that I placed the visioning process early in the planning model. Planners and the mountain of planning literature they generate, and practitioners and the mountains of plans they shared with me, are fairly evenly split on where to place visioning in the strategic planning process.

Some believe the initial vision should guide the process. Others feel a vision should emerge or at least be fine-tuned at the conclusion. The more I talked to people and reviewed the plans with which I have been involved, the more I felt that visioning belongs early in the planning process. If the primary role of the vision is to inspire and guide the organization, then placing the visioning after the planning process would be like buying a road map on the way home from Niagara Falls.

When coupled with your mission, the vision helps set the initial wills and nots of planning, and a visioning process at the beginning of the planning process can be a highly useful tool for assessing the campus' climate for change. In addition, the visioning process can also be a genuine consensus builder.

Description of individual steps

What follows is a brief description of each step. These descriptions provide insight and give a sense of how individual elements fit into the larger whole. Remember, planning is not a linear process. It is a highly iterative exercise more correctly described as a series of zigs, zags, timeouts, missteps, and occasional changes in direction.

Lay the foundation

At this very early stage in the planning process, the two goals are to determine if strategic planning is a viable option and to correctly position the individuals and structures most critical to the success of a strategic planning process. For these reasons, laying the foundation is absolutely critical and every care must be taken to proceed carefully and deliberately.

Laying a firm foundation involves these steps:

- Identifying your compelling reason for planning and assessing organizational readiness,
- Gauging the commitment of major players,
- Assembling the strategic planning coordinating/steering committee,
- Selecting the planning champion,
- Defining essential task area planning teams and selecting team members, and
- Anticipating and circumventing barriers to planning.

At the conclusion of this stage you should have firmly established the plan's *raison d'être* and gotten some very important ducks in a row.

Clarify and affirm core values

The next step in the strategic planning process involves the clarification and affirmation of core values, a review of any external mandates that might direct behavior, and an evaluation and even fine-tuning of the institutional mission.

To complete this step a series of stakeholder audits will

- identify and prioritize stakeholders,
- examine how stakeholders currently perceive the core values,
- determine how stakeholders judge the performance of the organization,
- ascertain how well the organization performs against these criteria, and
- identify key stakeholder values.

Establish a vision for the future

The third step in the strategic planning process involves establishing a clear vision for your future. During this step you will explore the importance of a vision as part of the strategic planning process. You will also examine the role of leadership in the visioning process, review the attributes of an inspirational vision, and walk through the steps for completing an institutional vision.

Assess your environments

After you have established your vision, it is time to assess your internal and external environments. Working through your strategic planning coordinating committee and essential task area committees, the assessment seeks to organize your environments into four broad categories:

- Internal strengths,
- Internal weaknesses,
- External opportunities, and
- External threats.

As an alternative, I've included an assessment tool that focuses on two broad categories: problems and opportunities.

Regardless of which approach to the situational analysis you use, the purpose of this step is to begin to identify the strategic issues to which the institution and its stakeholders must respond, and to develop an initial set of metrics or measures that will monitor progress.

A series of questions are included that will guide the

assessments for each of the following essential task areas:

- Academic affairs;
- Student recruiting and financial aid;
- Student development/retention;
- Institutional advancement and alumni relations;
- Facilities planning;
- Finance and budgeting;
- Information technology;
- Marketing, communications, and image; and
- Human resources.

Note: Chances are you will use slightly different task areas on your campus.

Identify strategic issues

After completing the situational analysis, it is time to frame the strategic issues. Strategic issues are those prioritized problems and opportunities to which the institution must respond. In many cases they emerge from several or all of the nine essential task areas and must be in place before strategic goals and action plans can be created. Typically, strategic issues are prioritized via a pay-off matrix to focus on goals that are of most interest to the institution.

Develop strategies

The next stage involves the creation of strategic goals and the action plans through which goals are accomplished. This involves translating the strategic issues into measurable goals and developing, prioritizing, and assigning the individual action plans.

Implement the strategic plan

Unlike the earlier steps, the final step, implementation, is ongoing. Implementation involves transitioning the strategic planning coordinating/steering committee to a planning implementation committee with four responsibilities:

1. Communication,
2. Creation of an early warning system,
3. Accountability and measurement, and
4. Environmental scanning.

Think implementation from the very beginning

Though the chapter on implementing the strategic plan falls at the close of the book, implementation is an ongoing theme. Thoughts of implementation must begin at the very earliest stages of the planning process and must be sustained throughout. One of the most important tools to assist implementation—communication—is also repeatedly addressed throughout the book.

Winnowing and sifting: The need to prioritize

One of the biggest challenges facing participants in the strategic planning process is the need to constantly clarify and prioritize lists of data, findings, ideas, audiences, and strategies. A basic balloting process is a surprisingly simple and effective tool to help begin and organize and prioritize. For our discussion, let's assume that we have completed a situational analysis. The planning committee is now faced with a list that contains

- 25 strengths,
- 14 weaknesses,
- 11 opportunities, and
- 16 threats.

After a thorough discussion of the issues, it is time to prioritize this list. This is where the balloting comes in. To begin, prepare separate "ballots" that contain the lists of strengths, weaknesses, opportunities, and threats. Or, if you prefer, write them on big sheets of paper and post them on the wall.

Next, give each of the members of the planning committee four sets of five stars; one set for strengths, weaknesses, opportunities, and threats. Each member of the planning team is then asked to "vote" on the strengths, weaknesses, opportunities, and threats that are most important to them. Team members can put all five stars on one strength or apportion their five stars across any number of strengths they choose. They then vote in the same manner on the weaknesses, opportunities, and threats.

We all know committee members often take overly philosophical positions during discussions. However, at voting time, they tend to focus on the issues of most importance.

You can also use this balloting strategy to do the following:

- Help develop the list of essential task areas,
- Refine components of the mission statement,
- Prioritize the situational analysis,
- Define the number of stakeholders,
- Refine and prioritize strategic issues,
- Refine and prioritize strategic goals,
- Guide the allocation of budgets, and
- Determine which goals should be year one and which ones can be deferred.

Conclusion

George Keller, in *The Emerging Third Stage in Higher Education Planning*, rightfully reminds us that successful planning must adapt to local, specific conditions and to the temper of the times. He says that what this means for us in the quasi-profession of planning is that we must all be amateur anthropologists and historians of the present and near-term future, as well as technicians of institutional change.

CHAPTER 6

Laying the Foundation

"I'll huff and I'll puff and I'll blow your house down."

—Big Bad Wolf

The most important part of the planning process is the solid foundation upon which the plan is built. Sometimes, in a rush to move ahead, organizations fail to lay a foundation that is thoughtful and true. And while initial progress is quick, haste will almost always come back to haunt us.

The purpose of this chapter is to help you build a planning foundation that is thoughtful and true. It deliberately and sequentially introduces and addresses topics that many strategic planners might ordinarily overlook. This chapter will help you create a strategic plan that is on target and supported by the larger campus community, external stakeholders, and friends.

Laying the foundation

These six steps will help you lay a solid foundation for your organization's strategic planning process and plan:

1) Identify your compelling reason for planning and assess organizational readiness.
2) Gauge the commitment of major players.
3) Assemble the strategic planning coordinating/steering committee and select the planning champion.
4) Make a decision on whether or not to use an outside consultant.
5) Define essential task areas and select planning team members.
6) Overcome the barriers to planning.

As you work through these six steps, you will notice how they

- focus the attention of key internal and external stakeholders on the most important issues,

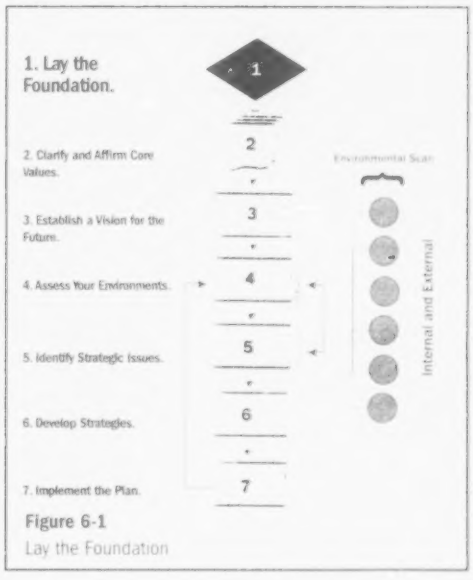

Figure 6-1
Lay the Foundation

- seek to legitimize the process to all stakeholders,
- support the sharing of information,
- help manage expectations and thereby reduce disappointment or frustration,
- tie the process to realistic deadlines, and
- spread ownership.

Committees, teams, and guiding coalitions

An ongoing discussion in this chapter is the structure of the strategic planning coordinating committee and the supporting essential task areas. I try to avoid using the term "committee" when discussing planning because I prefer the idea of teams.

Jon Katzenbach and Douglas Smith, in *The Wisdom of Teams*, describe a team as "a small number of people with complementary skills who are committed to a common purpose, performance goals, and approach for which they hold themselves mutually accountable." They say that teams

- must be committed to a common purpose and performance goals. Teams develop direction, momentum, and commitment by working to shape a meaningful purpose;
- are committed to a common approach—a clear sense of how they will work together to accomplish their purpose; and
- have mutual accountability. No group ever becomes a team until it can hold itself accountable as a team. Think about the critical difference between "the president holds me accountable" and "we hold ourselves accountable." At its core, team accountability is about promises made to ourselves and others.

Teams agree on processes and rules and work toward a common goal or goals. Teams are passionate about what they do.

But committees, well, we all have horror stories. The fact is, that much as I might wish to use the word teams, the literature, the stakeholders, and the frames of reference for most planners, are more comfortable with the idea of committees. So, with a nod toward Katzenbach and Smith, when you read committee, think teams.

Step 1: Identify your compelling reasons and assess organizational readiness

If you can't immediately think of a compelling reason or two to conduct a strategic plan, you should probably delay the planning process. Without a clearly identified reason, the planning process will never develop a sense of urgency or get off the ground. Staff, administrators, and faculty are already burdened with more tasks than they can reasonably accomplish, and will resist the extra work required for a strategic planning effort unless they can clearly see and appreciate why it is necessary.

One of the biggest mistakes planners and change agents make is to underestimate organizational culture and inertia. One faculty member said it best, "Administrators and their plans come and go, but the faculty stay on forever."

Where's the fire, anyway?

Organizational change has as a central tenant the idea of a burning ship. The fire is the compelling reason or the catalyst that most organizations and the people who inhabit them need before they are willing to change.

A few years ago during a dinner with a president of a North Carolina insitution, he had a good insight. "A good president," he said, "protects the organization from terror. But a smart president lets a little terror in once in a while." And while I would never advocate wholesale organizational terror, there is nothing like a crisis to focus attention.

Be it falling enrollment, a series of budget shortfalls, or the loss of a much-needed and counted upon major gift, without a catalytic event, initiating transformational change is nigh impossible. Very few institutions are forward-thinking enough to undertake strategic and lasting change without some kind of real or perceived crisis.

Earlier this summer I worked with a president of a small Catholic college in the Midwest. His challenges were to turn around a long-term enrollment decline and to reorganize the faculty governance system. I asked him about the campus mood and he said the faculty members were happy because they had just received a larger-than-expected raise. I was surprised considering the shape of the budget. His response spoke volumes. "If we didn't give raises, they would lose confidence in the administration. It is very important that they think we are well managed."

Of course, they weren't well managed and while there might be short-term benefits of perpetuating this illusion, it almost certainly bodes poorly for the institution's future.

THE STORY OF CORTÉS

Hernán Cortés (1485-1547) was a Spanish explorer and conqueror of the Aztec Empire of Mexico. In 1519, Cortés, with 600 men, 20 horses, and 10 field pieces, sailed from Cuba to Mexico. There, Cortés learned of the Aztec Empire.

Cortés became infatuated with conquering and plundering the Aztec Empire. To help motivate his troops, Cortés set fire to his entire fleet. At that point, his soldiers realized they had to follow Cortés. His now highly motivated troops successfully conquered the Aztecs. While I am not suggesting anything so drastic, a little shrewd strategy and motivational fear can speed up transformational change at your institution.

It is almost impossible to convince faculty and other stakeholders that the institution is in peril if they receive their annual raise.

Robert Johnson of Albion College knows how important catalytic events are to change. He says,

> The catalytic event breaks log jams and forces people to mobilize … it demonstrates that change is indeed necessary … and the resulting strategic plan will probably get completed more quickly and with less time and effort. We are less likely to protect our turf when it is burning all around us. At this point we want to protect our life, not just our turf.

Sources of complacency

One of the biggest impediments to change is complacency. John Kotter, in *Leading Change*, outlines the sources of complacency in most organizations. (See Figure 6-2.)

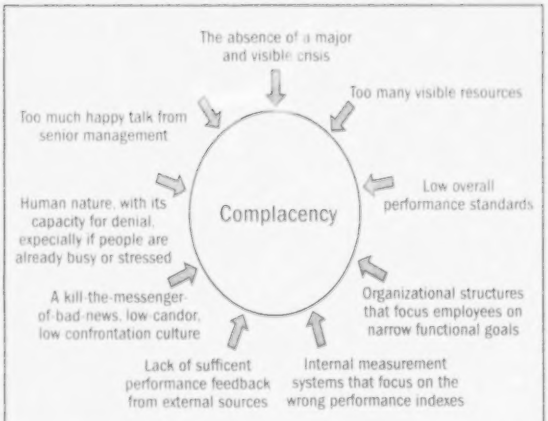
The absence of a major and visible crisis
Too many visible resources
Too much happy talk from senior management
Low overall performance standards
Human nature, with its capacity for denial, especially if people are already busy or stressed
Complacency
A kill-the-messenger-of-bad-news, low-candor, low confrontation culture
Organizational structures that focus employees on narrow functional goals
Lack of sufficent performance feedback from external sources
Internal measurement systems that focus on the wrong performance indexes

Figure 6-2

Sources of Complacency

Source: Stamats graphic based on information from *Leading Change* by John P. Kotter (Harvard Business School Press, 1996).

Ways to raise the urgency level

Kotter suggests a number of strategies for overcoming complacency. His list of strategies, modified to enhance its application to higher education, might appear to be draconian, but the point he makes is important. If key stakeholders do not feel a sense of urgency, then change will likely not occur or not be long lasting. Here are some of Kotter's strategies for increasing the sense of urgency:

- Heighten the sense of crisis by allowing a financial loss, exposing chairs and division heads to economic weakness, or allowing budget errors to blow up instead of being corrected at the last minute;
- Eliminate or reduce examples of excess (e.g., excessively high pension contributions, faculty dining rooms, and free access to wellness centers);
- Set revenue, income, productivity, and student satisfaction targets so high that they can't be reached by conducting business as usual;
- Send more data about customer satisfaction and financial performance to more employees, especially information that demonstrates weaknesses *vis-a-vis* the competition;
- Insist that people talk regularly to unsatisfied students, unhappy alumni, and disgruntled donors;
- Use consultants and other means to force more relevant data and honest discussion into management meetings;
- Put more honest discussions of the college's or university's problems in internal newsletters and speeches by senior managers. Stop senior management "happy talk;" and
- Bombard people with information on future opportunities, on the wonderful rewards for capitalizing on those opportunities, and on the organization's current inability to pursue those opportunities.

Assess organizational readiness

Unfortunately, no single assessment tool will help determine whether or not the climate is right for strategic planning on your campus. You may ask the following questions. If you answer "yes" to the majority, it is time to consider moving toward a strategic planning process.

- Overall, have we benefited from a successful strategic planning process in the past?
- In general, do stakeholders have confidence in the campus leadership?
- Have one or two "burning platforms" been identified?
- Is there "concern" about the future?
- Are the right people in place?
- Have sources for funding the plan been identified?

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- Has a well qualified planning champion and team been identified?

Anticipating obstacles to strategic planning

It is sometimes useful to conduct a mini internal audit to help assess potential obstacles to change and the strategic planning process. To get valuable insight, ask selected campus leaders, "What do you see as the major obstacles to strategies planning? How might these obstacles be addressed?" Make a list as in Table 6-1.

Table 6-1
Assessing Potential Obstacles to Strategic Planning

List 12 obstacles	List 10-12 strategies/options for overcoming
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	

Step 2: Gauge the commitment of major players

Major players are not limited to the president and senior administrators, but should also include these people:

- Faculty leaders,
- Staff leaders, especially if the staff is unionized,
- Major donors,
- Representative alumni,
- Key members of institutional or departmental advisory committees, and
- Key members of the board of trustees.

While it is unlikely that all of these people will support the idea of strategic planning at the same time, the majority of them should be supportive of the planning process.

Measuring commitment to the planning process

Senior administrators and faculty should commit to the idea of strategic planning. Commitment might be measured by the willingness to do the following:

- Use power constructively,
- Make tough decisions,
- Share vital information,
- Spend political capital,
- Provide release time to staff,
- Spend dollars,
- Spend time,
- Provide space and equipment resources,
- Implement the plan,
- Hold people accountable, and
- Evaluate progress.

The very visible role of the president

While the demonstrated commitment of senior administrators and faculty is essential to the strategic planning process, the administrator whose commitment is most necessary is the president, who will play a variety of roles in the process.

The president should be interviewed about her or his vision for the organization as well as his or her willingness to risk time, money, and political capital to realize that vision. According to Leonard Goodstein et al., if the president can understand that strategic planning is a way to surface, test, refine, gain support, and implement that vision, the strategic planning process is well begun. However, if the president has no such vision, or even worse, is unwilling to accept that vision has a place in creating the future of the college or university, then the prospects for a successful strategic planning process diminish.

Second, it is strongly suggested that the president play a central role in the development of the actual plan. Later this chapter will introduce the idea of the coordinating committee. The president should be on this committee, though not the chair. If the president leads the planning process then people on campus, particularly the nay-sayers, will perceive the strategic plan as the president's plan and their ownership will decline.

Third, the president can also use his or her position to legitimize the planning process to the larger campus community. Many stakeholders will rightly believe that if the president is actively involved, it must be important.

Fourth, the president is in a unique position to bring his or her broad perspective to the coordinating committee, the essential task area planning committees, and the larger campus community. As part of the president's previsioning or visioning process, asking questions such as the following can be extremely helpful:

- How do we define success?
- What stands in the way of achieving this success?
- What do we want to look like in the future?
- If we were starting over, what kind of institution would we like to be?

THE ROLE OF THE PRESIDENT IN THE PLANNING PROCESS

Robert Glenn, in an unpublished paper he shared with me, notes that the president has several important roles in the planning process:

- In a very real sense, the president is—or at least should be—the institution's "chief visionary and planner." As chief executive, the president is first and foremost responsible for articulating a unifying institutional vision. While this vision may be the product of much listening to and collaborating with various stakeholders, in the end the vision is primarily the president's to craft. Since the vision becomes the beacon guiding the entire planning agenda, it cannot be fuzzily delineated, generic, or "weasel-worded." The vision statement must illuminate all—and particularly the most contentious—of the "fault line" issues ... so that these issues can be addressed in an atmosphere where all parties are in agreement on the institution's primary strategic thrust (although disagreement may exist on the means for achieving it). When well crafted, the vision statement accomplishes this—and it is the president's role to create it.
- The president also often plays an important role as the *de facto* architect of the planning process by injecting rigor and reality, involving the key internal and external players, and prodding the organization to think "outside the box." Presidents should view themselves as the institutional "chief skeptic"—ensuring that the process does not simply regurgitate conventional wisdom and does indeed address vital strategic issues facing the campus.
- The president has a unique and vital role in reaching outside the institution to engage important external stakeholders in the process, seeking their participation, insights, and ultimately their commitment to a new future. The presidency is perfectly suited to this role. However, when the planning process turns inward and pays only lip service to the needs and desires of external stakeholders, this outreach function may be de-emphasized. The president's important function is to ensure that these other voices are heard, and made an integral part of the plan. This external facilitation role is particularly vital in linking the plan to sources of external funding.
- The president also must play an important role in balancing the often-competing objectives of internal stakeholders. If the resulting plan is to be an integrated, holistic document instead of a series of "wish lists" stapled together, the president must sufficiently guide the process to bring about this outcome. Since true planning involves hard choices about allocating scarce resources, the presidential role in such decisions is often crucial .... Resource reallocation strategies are an increasingly important part of the campus strategic agenda. However, in a committee-driven planning process, making such choices may be deemed as much too highly politicized or controversial, and is thus left unaddressed. Strong presidential leadership is usually needed to ensure both that the resource reallocation question is on the table and that it produces appropriate results.
- Finally, the president has an important role to play in communicating and "selling" the strategic plan to all the institution's stakeholders, both internal and external. The president must embrace the plan with personal fervor and commitment first, if other stakeholders are expected to do likewise. The president's role as leader of the institution demands nothing less than complete and demonstrated dedication to the plan, and to an enthusiastic call for its accomplishment to the institution's trustees, faculty, staff, alumni, students, and friends.

- Who are our most important stakeholders?
- What is the biggest opportunity facing us?

The president can pose these questions in

- speeches,
- discussions with campus leaders,
- interviews in the media,
- luncheons,
- newsletters, and
- annual and quarterly reports.

Public forums provide the ideal situation for posing questions, launching trial balloons, and gathering feedback. They also send an important signal that the core issues are still being discussed, that the plan has not yet been written, and that widespread input is still being sought. As noted by Daniel Rowley et al. in *Strategic Change in Colleges and Universities: Planning to Survive and Prosper*, this will help defeat criticisms that the planning process is *proforma* and the outcomes preordained.

What happens when the president opts not to proceed openly? One vice president from a regional public in the Pacific Northwest told me his president had largely written the strategic plan alone but then spent nearly a year holding meetings about mission and vision as if the plan had not been written. "When it leaked out what the president had done," he said, "we lost whatever opportunity we had, or would likely ever have, to undertake a legitimate strate-

gic planning process."

John Roush, president of Centre College, says the president's most important role is to provide leadership in establishing an effective strategic planning process. In a personal interview, he said that the president needs to be sure that

- the process for planning is understood and actively supported by the institution's major constituencies;
- communication—from start to finish—is regular and clear;
- the very best people at the college are engaged in the process; and
- he or she (the president) is prepared to "stay involved" in the meetings and other important conversations related to planning.

President's role at Oregon State University

Oregon State University was careful to define the role of the president in its strategic planning process. Based on information from its strategic planning Web site, the president does the following:

- Reviews and, only as necessary, redirects the institutional vision every four years;
- Establishes, revises, or reaffirms three to five aims (action oriented, four-year goals with measurable targets) every two years;
- Working with the Cabinet, ensures that budget allocations to colleges and other major units support the priorities approved for those units;
- Publicizes on multiple occasions to many audiences and to the point of being repetitious, the vision, the aims, and their connection to budgetary and other decision making;
- Ensures that strategic planning issues and outcomes are regular Cabinet agenda items;
- Assigns responsibility and allocates resources for significant components of the strategic planning process (e.g., outcomes assessments, monitoring of agreed upon criteria, studies, preparation of summary documents);
- Appoints the members of the University Strategic Planning Committee;
- Meets with internal and external stakeholder groups;
- Meets with regional, national, and international leaders of diverse endeavors; and
- Holds forums during which faculty and staff discuss emerging issues that could affect the university.

QUESTION THE ALPHAS

While the role of the president and other senior administrators is absolutely critical for planning success, sometimes there is a strong temptation to follow their lead to an alarming degree. Harry Beckwith, author of *Selling the Invisible*, reminds us that too many organizations run on the "Alpha Principle." He notes, "Ideas do not follow the good thinking in an organization; ideas follow the power. Most organizations work like the groups of apes from which we evolved. The alphas dictate what the group does and thinks. But are alphas better at decision making? Not necessarily. Alphas are just better at getting and keeping power. In most organizations, in fact, alphas are the people who just look and sound like they should have the power (a conclusion suggested by several studies that show that height, not business school performance, is the strongest predictor of an MBA's starting salary). If your smart people don't kill your ideas, chances are the alphas will. If you're an alpha, learn to shut up. The bumper stickers are right. 'Question Authority. Question the Alphas.'"

Why the president should not be the planning champion

The president or chancellor should not be the planning champion for several reasons.

First, presidents seldom have the time. On many campuses, the president is the chief fund and friend raiser and is often off campus. The day-to-day activities of running the institution are actually left up to a provost, executive vice president, or the senior management team.

Second, having the president as champion will squelch debate and participation among key stakeholders and constituents. Vigorous debate and synthesis are critical components of any healthy planning process and every effort must be made to develop an atmosphere that supports such input.

Finally, and perhaps most importantly, having someone else lead the planning process will help reinforce that it is not the president's strategic plan, but the institution's. Having someone other than the president lead the process will go a long way to increasing the perception that the planning process is legitimate and that the resulting plan is rooted in the institution and not merely the president's office.

Discussion on who should be the planning champion is in the next section.

Step 3: Assemble the coordinating committee and select the planning champion

After you have gauged the support of senior players and clarified the president's role in the strategic planning process, it is time to create the coordinating committee and select the planning champion.

In many respects, the selection of the coordinating committee and the designation of the planning champion is a chicken or egg issue. Some believe the coordinating committee should be established first and then the champion selected. Others argue the reverse. The reality is that these two activities likely occur more or less simultaneously.

The role of the strategic planning coordinating committee

Sometimes called the coordinating/steering committee or the strategic planning taskforce, the coordinating committee works in close concert with the president and helps frame and answer such early planning questions such as these:

- How many essential task area standing committees should we have?
- What kind of research should be undertaken?
- Should we go outside for a consultant to help us guide the process?
- Who should be the champion?
- What strategic planning process should we use?
- How long should the strategic planning process run?
- How much should we spend?
- What funding sources are available?
- How will we determine whether or not the planning process was a success?
- What kind of communication channels do we need to have in place throughout the planning process to heighten understanding and spread ownership?

The coordinating committee has important responsibilities:

- Directing the overall planning process;
- Consulting, coordinating, and helping manage the work of the support committees;
- Helping the support committees hit deadlines and mile markers;
- Facilitating data and document handling;
- Overseeing the research (if research is necessary);
- Buffering and negotiating conflict between committees;
- Providing a central source of information on the planning process to the governing board, the senior administrators, and the larger campus community;
- Assessing the need for training at the coordinating/steering committee and essential task area committees; and
- Assembling the final planning document.

Personal qualities of coordinating committee members

According to John Bryson and Daniel Rowley et al., the members of the strategic planning coordinating committee, more than anything, save the planning champion, and set the tone of the overall planning process. For this reason, members must be selected carefully with the following critical attributes in mind:

- *Power:* Are enough key players on board, especially senior administrators and faculty leaders, so that those left out cannot easily block progress?
- *Expertise:* Are the various points of view, disciplines, and skill sets adequately represented so that informed, intelligent decisions will be made?
- *Credibility:* Does the group have enough people with good reputations so that its pronouncements will be taken seriously by other stakeholders on campus?
- *Leadership:* Does the group include enough proven leaders to be able to drive the change process? This is particularly important. The committee needs members with management and leadership skills, who can work in tandem, teamwork style. The former type of member keeps the whole process under control, while the latter drives the change.

These qualities are also essential for the planning champion.

A coordinating committee that represents the entire campus

The composition of the coordinating committee is extremely important. In addition to the planning champion (see following sections), the coordinating committee should include representatives from the standing, or essential, task area committees already in place at the institution; particularly those committees who will be involved in the planning process.

With this in mind, the coordinating committee should include a representative from these areas:

- Academic affairs;
- Student recruiting and financial aid;
- Student development/retention;

- Institutional advancement and alumni relations;
- Facilities planning;
- Finance and budgeting;
- Information technology;
- Marketing, communications, and image; and
- Human resources.

Selecting a planning champion

Earlier, I suggested that the president or chancellor should not be the planning champion. Of course this begs the question: if not the president, who?

As tempting as it might be to simply name a specific individual such as the academic dean or a senior faculty member, it is more prudent to list the qualities and characteristics of a planning champion to help clarify who on your campus is the best "fit."

Remember that personal qualities and characteristics are often more important than title or office. To begin, she or he must have the respect of the campus community. This single requirement will eliminate many possible champions.

Second, the champion should have a vision for the campus that is largely in sync with the president's. In a similar vein, there should be a high level of trust between the champion and the president. Also, the ideal champion must have an intuitive understanding of strategic planning. This is not to say that your potential champion should be an experienced planner. Rather, it means that your champion must understand the importance of strategy and must have a sense of how to work through individuals and groups. The actual technical aspects of planning are teachable, and guidance can be provided by someone else at the institution or by an outside consultant.

The champion must have power and clout or access to power and clout. This is an essential quality at both the planning stage and the implementation stage. The champion must be able to lead and motivate people, especially those on the strategic planning coordinating/steering committee. And finally, the champion must be enthusiastic about strategic planning. Like the president, the planning champion must understand the possibilities inherent in bringing a vision to life.

For more insights on potential champions and leaders, please look at Appendix E.

Multiple contexts and levels of complexity

As you think about the qualities and characteristics of a planning champion, keep in mind the tremendous variations in context and complexity of our 3,600 colleges and universities and thousands and thousands of technical schools. Larger campuses and multi-campus systems will require a planning champion with more administrative experience. Unionized campuses may well require a champion with union experience. Religious institutions may be comforted by a champion with both academic and spiritual experience. I asked one group of campus leaders what they looked for in a planning champion and one responded almost without thinking, "I want the same qualities we have in our president."

Faculty as champions

Many planning efforts are chaired by senior faculty, either deans or department heads. When I asked presidents why they chose faculty to lead the planning efforts, their answers were surprisingly consistent. Of all the stakeholders, faculty members are more intimately involved in a college's primary reason for being—the education of students. Faculty members are also not afraid of—in fact many thrive on—discussion and debate. Faculty members also typically stay longer on campuses than do administrators. They have been around and they will be around and they have the long view.

A faculty champion can also bring much-needed legitimacy to the overall planning process. Senior faculty members often have important administrative experience.

And lastly, while faculty members may or may not always agree on the forces that impact and threaten the teaching-learning experience, it is faculty members who must accept, legitimize, and internalize any changes to this experience.

The role of other players in the planning committee

The portion of Oregon State University's Web site dedicated to the university's strategic planning process outlines the role of almost every player in the process. These general insights are presented here:

The provost and executive vice president

- Meets with the heads of colleges and other major departments to establish the priorities that will further the university vision and aims. Approves outcomes-oriented criteria that will be used subsequently to report on the achievement of the priorities.
- For departments reporting to the provost, assures that the tactical plans of these departments are developed, funded, and carried out in ways consistent with university aims.

The deans and heads of major departments reporting to the president or the provost

- Discuss the vision and aims in a joint forum with the president and cabinet to identify strategies for achieving the aims.
- Work with their faculty, staff, students, and other constituencies to develop the college-level priorities that will advance the university vision and aims.
- Establish approved priorities in discussions with the provost. This includes assessment of the abilities of the unit to achieve the priorities.
- Link their budget requests to the approved priorities, possibilities for internal reallocation, and demonstrated capabilities.
- Report annually on the contributions of their units to the success of the university's strategic plan using priorities and criteria previously established.
- After budget allocations are made, develop and then report to the provost the specific plans by which those aims are to be pursued. These plans include expectations of accomplishment in university-level priority areas.
- Ensure that the tactical responsibilities that they assign to their units are carried out.

Faculty and staff

The knowledge and critical evaluations provided by faculty and staff are major assets and are used by the president in setting a vision and in selecting action-oriented aims. The crucial contributions of faculty and staff are provided in several ways:

- At the department level (including academic and support units), emerging issues, challenges, and opportunities that could involve the department or university in the near future (two to five years) are identified, synthesized, and evaluated in appropriate forums.
- At the university level, a team of faculty will be responsible for anticipating longer-term plausible scenarios that the university may face.

Planning staff and the institutional research office

- Commission or carry out studies to evaluate performance relative to aims and priorities specified in the strategic plan.
- Produce outcomes assessment reports.
- Synthesize information about, and report on, emerging issues and assessments of the external environment.
- Produce a strategic planning document comprising the vision and aims as established by the president, the priorities and plans from the deans and heads of other major units, an explanation of the resources to be devoted to priorities and plan goals, and an evaluative report on the previous biennium's strategic plan.

FACULTY ROLE IN THE STRATEGIC PLANNING PROCESS

In 1998 Susan Morriss wrote an insightful paper titled, "Strategic Change and Faculty Participation: Problems and Possibilities," that shows the positive and negative roles faculty can sometimes play in the planning process.

She argues that faculty participation in the planning process is essential because

- leaders lack the information necessary to make the decision alone.
- problems are unstructured and faculty members have experience dealing with loosely coupled issues.
- faculty acceptance of the decision is crucial to its implementation.
- acceptance of an autocratic decision is unlikely.

At the same time, she notes that faculty participation in the planning process is not without problems because

- faculty members fail to see the big picture.
- faculty members lack loyalty to the institution, being loyal only to their own discipline.
- departments competing for resources have difficulty cooperating.
- governance structures and authority often are convoluted.

Enhancing the faculty role

John Roush, president of Centre College, makes the case that the president plays a key role in increasing faculty participation in the planning process. He says the president should make it clear from the start that the strategic plan is not already written and that faculty members' contributions to the planning process are essential. Trust faculty with important assignments and abandon the notion that senior administrators and trustees have all the good, sensible ideas. The president's central team members should include faculty members on all the committees. If faculty members are asked to chair such committees, they must be given staff support and be informed that the process will take many months. Good and effective planning is hard, sometimes tedious work, and it is best if all those asked to participate know this from day one. Presidents make a mistake whenever they suggest to faculty members, staff members, or especially trustees, that planning is easy or "won't take much time."

CLARIFYING THE ROLE OF THE INSTITUTIONAL PLANNING OFFICE IN STRATEGIC PLANNING

Many campuses have an office of institutional planning. In my opinion, these individuals should take a support rather than a lead position in the planning process and either be a member of the coordinating committee or work directly for the planning champion as technical liaison.

Susan Morriss offers two "practical" suggestions from faculty members on how their involvement in the strategic planning process might be more fruitful. First, it is important to give an appropriate name to any committee that may be formed for the purpose of involving faculty in planning. If an institution wants faculty advice on process, then the group involved should have the words "advisory" and "process" somewhere in the name. The name of the committee may not affect the quality of its work, but it can affect the expectations of participants about their role and therefore their satisfaction with the results that are achieved as a consequence of that participation.

Another faculty member noted that in the eyes of faculty, committee work is time consuming and typically results in little more than a report that sits on some administrator's bookshelf. In addition to tangible rewards, there must be visible action and recognition on the part of the institution in regard to the work of the committee. Faculty members have to see the effort as more than "academic exercise."

The president should recognize that involving faculty in the planning process in a major way might result in a challenge or two from a faculty member who "comes to do battle." But the benefits resulting from enlisting faculty for meaningful, important assignments will outweigh whatever negatives may surface.

And, finally, Roush says, the president (and others responsible for the process) should communicate with everyone about everything. This commitment to sharing the status of the planning process is often overlooked. The president should also be resigned to the reality that some trustees, faculty, and staff will act surprised when the completed, draft document moves toward final approval.

Settle issues related to the larger planning process

At this stage it is important to give a degree of form to the larger planning process so participants and stakeholders can get a sense of what is involved. While these issues may be intuitively understood by the planning coalition and even the champion, the chances are high that other participants will need a road map.

Chapter 5 outlines the seven steps of the strategic planning process:

1. Lay the foundation,
2. Clarify and affirm core values,
3. Establish a vision for the future,
4. Assess your environments,
5. Identify strategic issues,
6. Develop strategies, and
7. Implement the plan.

This chapter explores the first step, laying the foundation. The remaining steps will be detailed in Chapters 7 through 12.

Timeline

There is no way to predict how long a strategic planning process might take on any given campus and I am almost afraid to offer some guidelines lest some people interpret them as prescriptive. Using the road map metaphor, the strategic planning calendar in Table 6-2 gives a sense of how long the overall trip might take. Keep in mind, though, that the skill of the driver, the condition of the road, the mechanical condition of the vehicle, and even the number of rest stops will impact the journey.

Factors affecting the timeline

Recognizing that the sample timeline I provided is broad and context dependent, consider some factors as you think about a possible planning timeline for your campus.

Generally, if the president takes an aggressive role, if the campus already has a strong understanding of planning and a not-to-distant good planning experience, and if a high degree of motivation exists (burning ship), then the planning cycle will likely be shorter.

At the same time, if the president is not visibly involved, if the campus is uncertain about planning and their role, if the campus climate is politically charged, if participation among stakeholders is abnormally widespread, or if there is a reluctance to make a difficult decision without total consensus, then the planning cycle will likely take longer.

Sample timeline of the strategic planning process

The timeline in Table 6-3 was actually developed and used by a Midwest liberal arts college as part of its strategic planning process. I have modified its language slightly to fit with the language used in this chapter.

Table 6-2
Sample Strategic Planning Calendar

Stage	Task	How Long It Will Take
Step 1	Lay the foundation/design the process	2-6 months
Step 2	Clarify and affirm core values (can be somewhat parellel with step 1)	1-6 months
Step 3	Establish a vision for the future (one academic cycle; somewhat concurrent with step 2)	12 months
Step 4	Assess your environments	6 months
Step 5	Identify strategic issues	3-6 months
Step 6	Formulate goals and strategies	3 months
Step 7	Implement the plan	Ongoing

Table 6-3
Strategic Planning Calendar (language adapted to fit the terms used in this chapter)

Step 1: Lay the foundation/design the process	
April 30, 1999	Design (draft) the planning process designed for review by Council for Planning and Assessment (CPA)
May 3-4, 1999	CPA and Faculty Concerns Committee (FCC) reviews/refines process
May 5, 1999	Planning process presented to faculty
May 6-10, 1999	Final adjustments to process
May 24, 1999	Planning process presented to staff
Steps 2,3, and 4: Clarify and confirm values AND establish a vision AND assess your environment	
May - September 1999	Campus community communicates issues/ideas via e-mail
May - September 1999	Data gathered and analysis completed
September 1-30, 1999	SWOT discussion via e-mail [Note: SWOT stands for the practice of assessing the campus' strengths, weaknesses, opportunities, and threats. This will be discussed in much greater detail in Chapter 9.]
August 25-26, 1999	Council interviews selected internal and external constituents
August 25-26, 1999	Council facilitates group sessions on campus in conjunction with faculty retreat
September - October 1999	Focus group sessions with Alumni Board, Student Senate
October 14-15, 1999	Focus group session with Board of Trustees
October 1999 - February 2000	Planning team continues interaction with community members
Steps 5 and 6: Identify strategic issues AND formulate goals and strategies	
October - November 1999	A planning team consisting of CPA and President's Council meets and identifies strategic issues
December - January	Ad hoc teams are formed to develop objectives, action steps, and timelines
November - February	Feedback sought from constituent reviews of the proposed plans as they are developed (to include relevant committees, faculty, staff, students, and other constituents as appropriate)
January 20-22, 2000	Board of Trustees reviews the proposed plan and suggests revisions
March 2000	Planning team receives feedback and revises plan appropriately
Step 7: Implementation	
April 1-25, 2000	Revised plan is processed and adopted by appropriate campus bodies
April 27-28, 2000	Board of Trustees reviews/revises as needed/adopts plan

Step 4: Stay inside or go outside

Fairly early in the planning process you will begin to get a sense of whether or not you will need outside help. Generally, the decision to consider outside counsel will occur for one of two reasons:

- Senior administrators lack sufficient strategic planning expertise.
- The planning process is, or may be, unduly politicized, and you want objective help.

Robert Glenn of Innovation Network believes that a consultant can add one or more of the following dimensions to the planning process. He says that a consultant

- Augments internal resources and skills. In most cases institutions have limited experienced personnel who can devote substantial amounts of time to major projects like planning and reengineering. Those persons with the most skill and experience are usually already "stretched thin" with day-to-day managerial responsibilities and other initiatives. Skilled consultants can also add specific analytical and change-management skills often absent in the institution. The demand for outsiders has also become more attractive as the costs of adding permanent employees—driven primarily by healthcare and other benefit costs—continue to escalate.
- Provides an impartial opinion. Consultants are often said to "borrow your watch to tell you what time it is." There is truth in this statement. Too often, schools do not take time to look at their watch: the crystal may be dirty, the time may be incorrect, or the watch may have stopped altogether! A consultant can look at the watch with a critical eye, set the time if necessary, or simply agree that it works fine.
- Brings a fresh perspective. Seasoned consultants can provide multi-institution and multi-industry experience. Their knowledge of state-of-the-art practices in other organizations can provide important insights into performance benchmarks and improvement opportunities, which might be otherwise overlooked. Consultants can also effectively serve as coaches and trainers, to bring employees "out of the box" of their traditional experiences.
- Imparts momentum and focus. Often, the decision to retain a consultant brings a sense of urgency to the issues, which, by itself, can add value. The mere presence of an outsider changes the dynamic of the environment in which the problem or opportunity is being addressed. A competent consultant recognizes this phenomenon, and uses it to the client's advantage.

Step 5: Define planning committees and select team members

As noted earlier, the members of the essential task area planning committees should, whenever possible, be drawn from existing faculty and administrative committees or composites of existing committees. The rationale is threefold. First, most colleges and universities are already over-committed and the use of existing committees will allow the strategic planning process to move forward without increasing the overall committee burden for most participants.

Second, since institutionalizing strategic planning is one of the goals of the process, the use of existing committees will help legitimize the overall planning process throughout the campus; especially among faculty ranks.

Third, this structure is an ideal first step toward the eventual implementation of the plan.

Number and size of essential task area planning committees

The number of essential task committees is dependent on the size and complexity of the overall institution, its political and decision-making culture, and its marketing environment. Generally, eight to 10 essential task area subcommittees suffice, with the chair of each subcommittee usually sitting on the larger coordinating/steering committee.

As you can see from the following examples, the number, composition, and range of essential task area subcommittees are fairly varied. For example, the strategic planning team process at one community college involved eight teams:

- Academic assessment and program review,
- Community/customized education,
- Enrollment management and recruitment,
- Facilities,
- Financial planning,
- Information technology,
- Institutional advancement, and
- Student retention.

A private university in the Midwest used the following teams:

- Environmental scanning and futures research,
- Identity,
- Outcomes,
- Student development,
- Enrollment management,
- Operations,
- Strategic planning and communications.

CHECKLIST FOR HIRING AND WORKING WITH A CONSULTANT

As you consider working with and establishing a relationship with a consultant, do the following:

- Clarify your broad expectations of what the consultant will do;
- Decide roughly how much you want to spend;
- Talk with at least two consultants and check the references they provide to you;
- Ask each consultant whom you are seriously considering to submit a written proposal summarizing the work to be performed, the timeline, and the cost;
- Make sure you feel comfortable working with the person you select; and
- Develop a clearly worded, written contract, which should include the following:
  - A list of deliverables;
  - A projected completion date;
  - A schedule for payment;
  - Checkpoints along the way so you and the consultant can evaluate progress and resolve any problems that may have arisen;
  - A mechanism by which you or the consultant can terminate the contract before it is completed;
  - Identification of the person at your college or university who has the authority to agree to expenditures or approve the consultant's work; and
  - An understanding of who will do the actual consulting work.

- Advancement,
- Systematic information gathering and coordination, and
- Human resources.

A public institution on the Atlantic seaboard organized the following essential task areas:

- Enrollment size and mix,
- Teaching and learning,
- Research and scholarship,
- Public service,
- Technology,
- Organizational structure,
- Governance,
- Administrative/support services,
- University life,
- Physical plant/location, and
- Administrative/support services.

It is often very helpful to align the planning committees with the key performance indicators that will be assessed and monitored as part of the larger planning and evaluation processes.

Length of committee assignments

While there is almost no way to predict exactly how long assignments on the essential task area committees might be, they are likely to run six months or longer. More important than the length of the assignment, however, is the larger understanding that the individual committees must work within a timeline established by the larger coordinating committee. If an individual essential task area committee's assignment is complex, it should be prepared to meet more often during a given planning period so that it meets the larger deadline for all committee reports.

Training of the planning teams

Very early in the planning process the institution should provide multiple sessions of team training so that members of the coordinating/steering committee and the essential task area subcommittees will all begin the planning process from the same basic place. At the very least, this training should address the following:

- The strategic planning process,
- The purpose of their committee team,
- Understanding of their specific team assignments,
- Guidelines on how to conduct good meetings,
- Guidelines on team dynamics,
- Brainstorming and idea generation,
- Prioritizing tactics such as a basic balloting protocol,
- Conflict resolution, and
- Team etiquette.

Preparation of the team resource notebooks

If strategic planning is a relatively new experience for the campus or if many team members lack an understanding of planning or are new to the campus, I suggest the compilation and distribution of team resource notebooks that include these elements:

- Definitions of key planning terms (See Appendix B);
- Discussion of strategic decision making;
- Copy of campus organization chart with all standing committees;
- Case studies about planning;
- Preliminary mile markers and timelines;
- Document resource list; and
- Individuals resource list.

Instead of, or in addition to, individual notebooks, the institution may wish to post these and related materials on a strategic planning intranet hosted by the strategic planning coordinating/steering committee.

Appendix F contains a list of other planning resources that will make the process go much more smoothly.

Hold a planning retreat for the coordinating/steering committee

One of the most interesting experiences I have ever had as a consultant was conducting a strategic planning retreat for a regional public in Wisconsin. Very early in the planning process, we met at a lodge away from campus. The location was purposeful. We wanted to get away from turf and telephones. Everyone left their cell phones at the office and wore casual clothes. The retreat included both large group meetings for presentations on the planning process as well as smaller discussions on different aspects of planning. Interwoven throughout the two days was time set aside for long walks, fishing, and golf. Perhaps the most gratifying outcome of the retreat was a comment at its conclusion by an individual who made it clear at the beginning that he thought the whole thing would be a waste of time. Just before we closed he apologized to the group for his attitude. His external task area subcommittee became one of the most energetic and forward thinking.

I can't promise that all retreats will be as successful as that one, but I have outlined some pointers to maximize the benefits from a strategic planning coordinating/steering committee retreat.

Benefits of having a retreat

A well planned and managed retreat can enhance your planning process by

- encouraging interaction and creativity; many people in group situations stimulate each other to think beyond traditional boundaries;
- enhancing teambuilding for the organization; people work together more efficiently once they know each other (e.g., personalities, work styles, methods of communicating, etc.). Retreats provide an opportunity for staff, support staff, and board members to come together and collaborate for the first time;
- heightening the opportunity for training; and
- laying a foundation of common understanding; for many organizations, this is the opportunity for everyone to hear the same information and messages.

Planning a two-day retreat

If you have never planned a retreat, the following structure will help. If you are not a seasoned retreat leader, the team-building exercises should be conducted by a professional trainer.

Day One: *Afternoon*
Introductions
Large group discussion:
1) State of the institution overview
2) President's vision and goals for the strategic planning process
3) Brief overview of planning process
Dinner (Team members randomly assigned table partners)
Evening
Team-building exercises

Day Two: *Morning*
Large group discussion:
1) Presentation on marketplace trends that will impact the institution
2) Detailed presentation of the planning process
3) Overview of institutional resources to support the planning process
Small group discussion: Potential obstacles to planning
Second team-building exercise
Lunch (picnic or informal lunch)
Afternoon
Large group discussion: Strategies for enhancing planning process

Note: Refer to "Additional Reading" at the end of this chapter for ideas on good team-building resources.

A planning retreat for Midwestern University

Midwestern University distributed the following attendee guidelines before the planning retreat.

Your role at the strategic planning session

- Share your ideas regarding the mission of our university;
- Participate in discussion regarding our vision;
- Assist in the valuing of our current academic programs, policies, and departments; and
- Be an active participant in the planning of our future together.

Your responsibility

- Share your knowledge;
- Engage your staff and departments in setting future direction;
- Seek the ideas of others prior to attending our session;

RETREAT PREPARATION

Attending to the logistics of a planning retreat is critical to its success. The team coordinating the retreat should

- Find a convenient and comfortable location;
- Acquire and test AV equipment including flip charts;
- Prepare or collect any materials to be discussed;
- Finalize the agenda and distribute a written copy ahead of time;
- Confirm the time and place of the retreat. Distribute maps and itineraries; and
- Distribute a roster of participants including e-mail addresses and telephone numbers,
- Arrange group transportation to and from the retreat site; and
- Arrange a secretary for the retreat to record the discussions for later transcribing and distribution.

- Look to ways in which we can continue to build upon our strengths;
- Assist in ways to improve upon our weaknesses; and
- Be a team player—and dress casual for the retreat!

Our process

- Discuss our vision for the university and our colleges;
- Assess our strengths as an institution;
- Assess our weaknesses and discuss both internal and external threats;
- Seek out opportunities to improve our environment, staff support areas, and internal and external relationships; and
- Focus on our major strategies—as well as college and departmental plans.

Training at Salem Community College

In its planning guidelines, Salem Community College outlined the role of faculty, staff, and administrators in the planning process. Their message included the following:

> All staff persons at Salem Community College will be asked to volunteer as planning team members as a way to enhance both the departmental and institutional levels of the college. Strategic planning effectiveness relies on certain essential preparations.
>
> *A. Personal level preparations*
>
> - Be open-minded and ready to participate in process;
> - Consider personal reasons for joining a planning team;
> - Identify personal goals for SCC strategic planning;
> - Be willing to work beyond the departmental level; and
> - Understand that strategic planning is not just an addition to my current job, but is already an essential element of my current work.
>
> *B. Departmental and college level preparations*
>
> - Alert supervisors to staff participation and time considerations;
> - Consider readiness of individual volunteers to participate;
> - Determine time schedule to complete process; and
> - Identify major opportunities and threats th could be encountered as part of the process.

The mission of the committees

Although the essential task area committees have multiple missions throughout the planning process, they can be divided into four broad, relatively sequential stages:

- Stage 1: input and assessment;
- Stage 2: synthesis;
- Stage 3: strategy development; and
- Stage 4: implementation.

At the input and assessment stage, the essential task area committees should

- gather input from their workgroups, stakeholders, and customers;
- spread ownership of the planning process among subgroups by involving as many people as possible at this early input stage;
- complete a portion of the internal and external environmental assessments; and
- help determine key performance indicators and develop useful metrics to evaluate performance.

At the synthesis stage, the essential task area committees should

- synthesize and prioritize input and data from stage one,
- prioritize findings, and
- report findings to coordinating/steering committee.

At the strategy development stage, the committees should

- develop individual strategies from their task areas that will be assembled into the larger strategic plan,
- prioritize these strategies, and
- develop an initial implementation calendar and budget.

At the implementation stage, the committees should

- assist in the implementation of strategic action plans,
- monitor and report progress,
- communicate progress to the campus community,
- listen to concerns of committee members and the community at large, and
- monitor budgets and timelines.

"Charge" the planning teams

As the laying the foundation portion of the planning process comes to a close, it is time to give the "charge" to the planning teams. The charge is sort of a final pep talk that reminds them how important the work they are about to undertake is for the future of the institution. As Salem Community College began its strategic planning process, it reminded each team to:

> ... work toward the development and analysis of the internal and external environments, an understanding of the current situation and strategic alternatives, development of a supportive climate at the college, a multi-level collaboration of ideas, and toward the development of interactive planning networks with cross institutional responsibility and cross departmental resource sharing.

Campus-wide planning orientation and kick-off dinner

In addition to a retreat for the coordinating/steering committee, a more abbreviated training session is appropriate for the entire campus. This session, perhaps on a Friday afternoon or Saturday morning, would confirm the reason for planning, provide an overview of the process, identify committee structures and members, and present mile markers and the timeline. To conclude the training, consider holding a campus-wide dinner.

Step 6: Overcome the barriers to planning

The final step in laying the foundation involves anticipating—with an eye toward overcoming—possible barriers to the strategic planning process.

The first big barrier is the failure to develop a compelling reason for planning. Without a compelling reason, your planning process will never overcome organizational inertia.

The next big barrier is a failure to create a powerful coordinating committee. As you wade through the campus politics of delay and denial, you will need powerful advocates of planning to keep things moving forward.

The third big barrier is the lack of a vision of the future. Chapter 8 addresses this topic at length, but I want to stress that the vision must galvanize and the vision must be communicated.

The fourth big barrier is the mismanagement of expectations. Make your promises carefully and deliver on them fully.

The fifth barrier is the failure to create short-term wins. The planning process can be long so at every legitimate milestone and opportunity, declare and celebrate your wins.

The final barrier to successful strategic planning is the basic fear of change. Even though this book addresses this topic repeatedly, it can never be emphasized enough. Organizations, and the people who inhabit them, are risk- and change-averse and no single strategy will help you overcome these twin aversions. However, recognizing this palatable and ongoing concern will take you a long way toward dealing with it.

Conclusion

Builders never build on a shaky foundation. For the same reason, colleges and universities need to take the time to make sure their foundations are straight and true before beginning the planning process. If they don't, the planning will crumble from the start.

Additional reading

There is a raft of great books on teams and team building. Jon R. Katzenbach and Douglas K. Smith's *The Wisdom of Teams*, Jon Katzenbach's *Teams at the Top: Unleashing the Potential of Both Teams and Individual Leaders*, and Jean Lipman-Blumen and Harold J. Leavitt's *Hot Groups: Seeding Them, Feeding Them, and Using Them to Ignite Your Organization* all deserve special mention. I also encourage you to read Neil Clark's *Team Building: A Practical Guide for Trainers* and Deborah Harrington-MacKin's *The Team Building Tool Kit: Tips, Tactics, and Rules for Effective Workplace Teams*. Two books on cross-functional teams are also worth reading: Walter Michalski's *40 Tools for Cross-Functional Teams: Building Synergy for Breakthrough Creativity* and Glenn M. Parker's *Cross-Functional Teams: Working With Allies, Enemies, and Other Strangers*. Finally, if you need some great team-building exercises, it is hard to beat William J. Pfeiffer's *The Encyclopedia of Team Building Activities*.

CHAPTER 7

Clarifying Your Mandates, Core Values, and Mission

"Life has a value only when it has something valuable as its object."

— Georg Wilhelm Friedrich Hegel
German philosopher

This chapter explores strategies for affirming institutional values, mandates, and mission. This affirmation at an early stage in the planning process is important because the mandates, core values, and mission become the lens that refines your vision. In the same manner, your values and mandates are useful reference points with which to view the data and findings from your situational analysis.

Some definitions, please

Before proceeding three important terms require definitions:

- Mandates,
- Core values, and
- Mission statements.

Mandates

Mandates are written and unwritten rules that govern and guide an institution and its stakeholders. Generally more formal than values, mandates are sometimes prescriptive in nature and may be directly tied to laws, bylaws, ordinances, articles of incorporation, and charters. Because of their usually more formal nature, mandates are often easier to uncover and delineate than values.

Some sample mandates include these:

- Founding charter that dictates serving only women,
- State law that requires an open admissions policy,
- State law that says out-of-state students must be charged higher tuition,

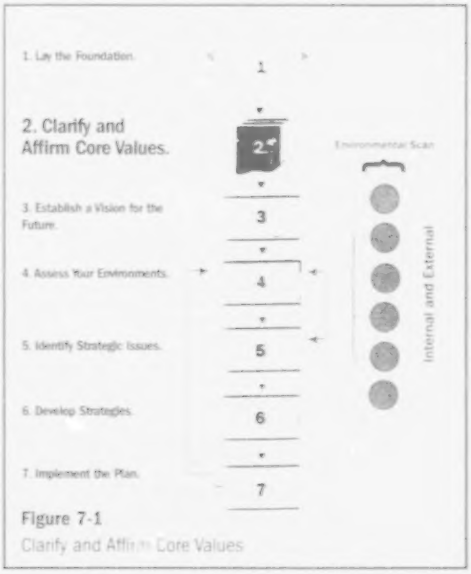

Figure 7-1
Clarify and Affirm Core Values

- Board mandate that offers scholarships to students from a particular denomination, and
- Founding charter that dictates your institution remain faith-based.

Corporate culture and informal mandates

Chapter 3 examined the role of institutional culture on the planning process. Seasoned planning practitioners and theorists alike recognize that institutional culture often supports a series of informal mandates. While seldom codified, informal mandates are often as powerful as their more formal cousins.

Core values

Core values are enduring beliefs that your institution—and the people who inhabit it—hold in common and endeavor to put into action. The values guide your institution's faculty, staff, administrators, and to some degree students, in performing their work. Values can be relatively informal yet still enduring. Values lead individuals within organizations to believe that some goals or ends are more legitimate or correct and other goals are illegitimate or wrong.

Values—The University of Northern Iowa

The University of Northern Iowa community values the following:

- Intellectual vitality, which is characterized by creativity, knowledge, curiosity, aesthetics, critical thinking, and wisdom;
- Intellectual and academic freedom, dialogue, and the free exchange of ideas. The freedom to examine diverse and controversial ideas is essential;
- Excellence in all of its endeavors. A continuous pursuit of quality is essential in achieving excellence;
- An ethical, caring, and diverse community, which is characterized by honesty, integrity, respect, fairness, empathy, equal opportunity, trust, and civility; and
- Individual well being, which is characterized by the development and health of the body, mind, and spirit.

(*www.uni.edu.infosys.fip.fipvalue.html*)

Values—Montana State University

As part of its strategic planning process, the University of Montana established six core values that were used to guide individual essential task areas.

- Affordable access to higher education for Montana citizens;
- High quality learning experiences that help students develop to their fullest extent;
- Basic and applied research that contributes to knowledge and meets regional and statewide needs;
- A sense of community for students, faculty, and staff;
- Effective, efficient use of limited resources and accountability for the use of public funds; and
- Services that help citizens, communities, regions, and the state, as well as businesses and industry, to meet their goals.

(*www.montana.edu/wwwprov/spbc/spbc.html*)

Core values profoundly impact the strategic planning process because they inform what questions are asked, how they are answered, and the range of choices set before the college or university.

Mission statements

For our purposes, a mission statement is a declaration of an organization's purpose, its *raison d'être*. As we all know from experience, our colleges and universities struggle with mission statements that are too long, too vague, and too flabby.

Scott Adams, writing in *The Dilbert Principle*, sums it up best. He referred to such statements as a "long awkward sentence that demonstrates management's inability to think clearly."

Mission statement—University of Northern Iowa

The University of Northern Iowa is Iowa's only public university that is distinguished by its emphasis on undergraduate education. The university contributes to the development of students by providing a diverse, dynamic learning environment characterized by excellence in teaching. The university supports exemplary undergraduate programs founded on a strong liberal arts curriculum and offers master's and selected doctoral programs that contribute to the intellectual vitality of the academic community. The university increases knowledge and promotes student growth through scholarship and service, and shares its expertise with individuals, communities, and organizations.

(*www.uni.edu/infosys/fip/fipmishn.html*)

Mission statement—Mount Holyoke College

Mount Holyoke College reaffirms its commitment to educating a diverse community of women at the highest level of academic excellence and to fostering the alliance of liberal

arts education with purposeful engagement in the world.

Mission statement—Cuyamaca College
Cuyamaca College provides leadership for our community's future through innovative experiences and environments for learning.
(*www.cuyamaca.net*)

Mission statement—Rice University
As a small residential institution dedicated to the highest standards of instruction and research, Rice will provide an unequaled education that will serve our students for a lifetime, advance the frontiers of knowledge to the betterment of all humankind, and meet the needs of our wider community through partnerships with other institutions. We therefore take as our mission
- To prepare our students to be the leaders of the next century by providing an education distinguished for its high level of excellence and personal attention;
- To contribute materially to the advancement of knowledge and to educate the next generation of scholars by supporting outstanding research programs as well as graduate and professional study; and
- To cooperate actively with other institutions in the use of new discoveries and knowledge for the benefit of society.

(*www.ruf.rice.edu/~provweb/plan/mission.html*)

Mission statement—University of Missouri-Kansas City
To provide accessible, high quality undergraduate, graduate, and professional education by encouraging and nurturing excellence in instruction, discovery, creativity, service, and learning, and by emphasizing a selected range of programs in the arts, sciences, and professions.
(*www.umkc.edu*)

Begin with the questions

Clarifying mandates, values, and missions starts with answering these questions:
- Who are we?
- What is our philosophy and what are our values?
- What are the basic social, economic, and political needs we exist to fill or the social, economic, and political problems we exist to address?
- How should we anticipate and respond to these needs or problems?
- How should we respond to our key stakeholders?
- What makes us distinctive or unique?

The remainder of this chapter will focus on the asking and answering of these questions.

Strategies for clarifying mandates, values, and mission

Clarifying your mandates, core values, and mission involves three distinct yet overlapping activities:
- Compiling formal and informal mandates,
- Conducting a values scan, and
- Reviewing your mission.

Compilation of formal and informal mandates

To begin, determine the formal and informal mandates that "govern" your institution. You can begin by interviewing stakeholders. This step in the planning process is important to remind the organization of its rules of engagement and the mandates it must follow as it seeks to meet the needs of its stakeholders. At the same time, this process should clarify the range of possibilities by isolating constraints that are either out-of-date or even nonexistent.

Conquering the constraints you face when compiling mandates
It is amazing how often individuals and their organizations unnecessarily constrain themselves. Many years ago I read a wonderful book on problem solving called *Conceptual Blockbusting*. The author, James Adams, pointed out that we often arrive at bad decisions because we unnecessarily limit the range of possible alternatives. In other words, we don't consider all the options because we too narrowly define the problem and/or range of possible solutions. Adams outlined a range of "blocks" or constraints we place on ourselves when problem-solving:
- Conceptual,
- Perceptual,
- Emotional,
- Cultural,
- Environmental, and
- Intellectual.

Recently I completed a project for a college that has served women in the Northeast for more than 100 years. Its target audience had largely been traditional-age young women, and this institution was very concerned about the shrinking size and very competitive nature of this market.

Helping its faculty, administrators, and staff understand that there are great numbers of nontraditional-age

women it might serve was an important first step in helping to establish a wider range of possibilities within its present mandate.

That same college has a curriculum dominated by majors addressing traditional women's roles of teaching, nursing, secretarial studies, and homemaking. Conducting a review of its curriculum in light of changing educational needs and expectations has greatly expanded the range of possibilities as well.

Compiling and assessing organizational mandates

As you compile formal and informal mandates—before moving on to the values scan—you will find that your list will change and that you will continue to identify more mandates, particularly informal ones, as you move throughout this step in the planning process.

Now examine the mandates and determine whether or not your institution should comply. Keep in mind the penalty for noncompliance. If there is no penalty for noncompliance, and if complying with the mandate would prevent from you from going through with a planned activity or strategy, then consider ignoring the mandate. This is especially appropriate when dealing with antiquated laws and regulations. However, take care that there is actually no penalty and there is a general feeling among stakeholders that the mandate is no longer relevant. Of course, you must make sure that your attorney is involved in the conversation because there is a big difference between regulations and policies and laws.

Then, as part of the communication process, remind members of the key mandates.

And finally, if you have a mandate that is imposing a restriction, and there is a penalty for noncompliance, consider working to have that mandate changed. A client, for example, discovered that a city ordinance prohibited the college from storing radioactive materials within the city limits. This mandate effectively stopped the college's desire to develop a program for radiology assistants. Before the program could continue, the college worked with the city to have the ordinance amended.

Conducting a values scan through a stakeholder audit

The role of stakeholders in defining values and assessing mission can be accomplished using the simple steps of a stakeholder audit:

- Identify stakeholders and prioritize stakeholders,
- Identify the organizational qualities or characteristics that stakeholders value most,
- Ascertain how well the organization performs against these metrics, and
- Identify key stakeholder values.

Step 1: Identify and prioritize potential stakeholders

The first step in the stakeholder audit is to identify and then prioritize potential stakeholders. By definition, stakeholders are those individuals or groups of individuals who can place a claim on your attention, resources, or output, or who are affected by your organization. A list of potential stakeholders for colleges and universities includes but is certainly not limited to these:

- Faculty,
- Staff,
- Administrators,
- Business leaders,
- Community residents,
- Current students, and
- Alumni.

Operationally, the process of identifying and prioritizing potential stakeholders is relatively straightforward. (See Table 7-2.)

Table 7-2
Identifying and Prioritizing Potential Stakeholders

Step	Activity
1	Thoroughly explain the idea of a stakeholder to members of the strategic planning coordinating/steering committee and senior administrators and faculty. It might be helpful to give them a few examples.
2	Ask the members of the planning coordinating/steering committee, senior administrators, and faculty to identify stakeholders by group.
3	Ask representatives of each of these groups to list who they believe are stakeholders. Make sure to complete step 1 for this group as well.
4	Compile the lists from steps 2 and 3; edit out duplicates.
5	Prioritize the list of stakeholders using the balloting strategy or another strategy for prioritization.

It is very important to use a balloting strategy or other prioritizing technique to reduce the list to a manageable number—no more than six to eight prioritized stakeholders.

Step 2: Identify the qualities stakeholders value most

The second step in the stakeholder audit is to identify the organizational characteristics that stakeholders value most. Let's consider, for example, the following question: How do prospective students define academic quality?

The best option for gaining this information is to ask the stakeholders, via personal interviews, focus groups, or surveys, the qualities and characteristics related to academic quality that they value most. After this initial research, we might learn that students value these:

- Quality and accessibility of faculty,
- Quality and accessibility of facilities,
- Opportunities for internships, and
- Career planning and placement/job placement record.

Step 3: Ascertain how well the organization meets stakeholder expectations

The third step in the stakeholder audit is to determine how well the institution meets stakeholder expectations. Earlier, we discovered that prospective students—an extremely important stakeholder—were keenly interested in job placement. But how well do our prospective student stakeholders believe the institution is doing?

A gap analysis is useful for obtaining this kind of information. This kind of analysis involves asking respondents how much they value a particular variable and how they think the institution is doing on that variable. These kinds of studies generate graphs like the one outlined in Figure 7-2. For example, Figure 7-2 shows that students value information on practical life skills, but do not feel that the college is delivering on this variable.

As part of the stakeholder audit you also want to determine the resources that the institution needs from various stakeholders. This helps prioritize stakeholders in terms of their value. You might determine, for example,

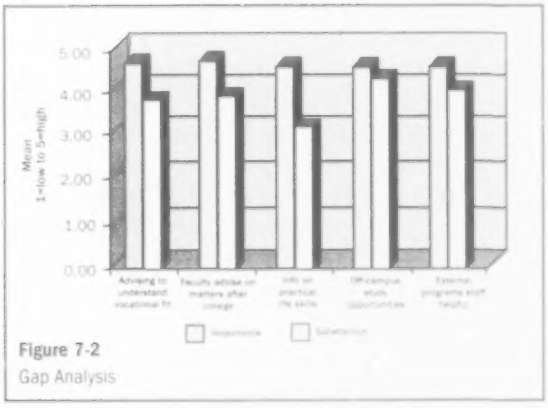

Figure 7-2
Gap Analysis

STAKEHOLDERS VS. CUSTOMERS

One of the biggest challenges I face when working with a client is helping them understand the differences between stakeholders and customers. Up to this point, students have been included on the stakeholder list, but students are also customers. This customer-dimension of student stakeholders is critical because they are they primary consumers of your educational product; they pay a large portion of the bills. When you forget that students are customers and begin to treat them like other stakeholders, you almost always run into difficulty. At their most basic, the needs and expectations of faculty and staff stakeholders are almost always different, and even sometimes diametrically opposed, to those of student stakeholders. The domain of faculty and staff stakeholders, who tend to focus on tradition and organizational culture, is the past and to some degree the present. The domain of student stakeholders, who focus on outcomes, is the future. There is real danger when the needs and expectations of faculty and staff stakeholders crowd out the needs and expectations of student stakeholders.

that a certain cohort of heretofore-unappreciated prospective students generate a significant portion of your overall tuition revenue. Or you might discover that an academic department, while not generating much tuition revenue, does generate significant positive media attention.

Step 4: Identify stakeholder values

The final step in the audit is to pose a series of questions that will help identify the core values of your internal and external stakeholders:

- What do you consider to be the organization's key values at this time?
- Wh[illegible] personal values do you believe are held by a majority of stakeholders?
- What additional values do you think the organization should adopt?
- What values do you look for when you interview potential faculty, staff, and administrators?

Coalesce and prioritize

After gathering these lists of values from stakeholders, they need to be coalesced and prioritized. The same balloting strategy that you used for the prioritizing of stakeholders could be helpful at this point.

Evaluating your mission—and mission statement

There are a number of important reasons for creating, identifying, or clarifying your mission.

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First, a mission helps focus the organization on what's truly important.

Second, a clear and widely held mission can reduce the amount of unnecessary and often unhealthy conflict in an organization and help focus discussion by preventing people in the organization from developing competing missions or using resources (time, money, and talent) in ways that are contrary to the mission.

Third, understanding your mission helps chart the future course of the organization.

Fourth, a clear mission is a very powerful tool to use when hiring and making promotions. In addition, a strong mission can help shape the organizational culture and may even, over the long run, help negate negative aspects of that culture.

Fifth, a mission can be a source of inspiration to key stakeholders, especially faculty, staff, and administrators.

Zeroing in on the most important

A review and/or revision of your mission statement involves asking stakeholders—the same individuals and groups identified above—to respond to a series of very important, even strategic, questions:

- Who are we? What is our purpose?
- What does the mission statement mean to you personally?
- What functions do we perform; what needs do we fill?
- How well do we recognize or respond to changing needs?
- How should we respond to our most important stakeholders?
- What are our core values?
- What makes us unique or distinctive?
- In what ways has the institution furthered the mission?

Dickinson College involved stakeholders in the evaluation of its mission by asking three questions:

- Who are we?
- What do we strive to do?
- How do we do it?

The answers to questions such as these might appear obvious when in fact they really are not. This is especially true in light of the many external market forces shaping colleges and universities and as higher education moves from a provider-driven paradigm to a paradigm driven by the educational consumer.

A time of synthesis, debate, and conclusion

While the mission statement may be short, perhaps no more than a few sentences, the discussion it grew out of will be lengthy. Evidence suggests the longer and more pointed the discussion, and the more the individuals and groups involved, the shorter the actual mission statement might be.

Peter Drucker rightly called the creation of a mission statement and the larger creation of a strategic plan a Socratic process. It is at this stage that this give-and-take iterative process is most evident.

Mission worksheet

As part of the evaluation of its mission, Salem Community College used a mission worksheet drawn from James Lucas' *Fatal Illusions: Shredding a Dozen Unrealities that Can Keep Your Organization from Success* (Figure 7-3).

Criterion for evaluating mission statements

Leonard Goodstein et al. offer 10 criterion for evaluating a mission statement in their book, *Applied Strategic Planning*. These 10, modified to enhance their applicability to colleges and universities, are listed here:

- The mission statement should be clear and understandable to all internal stakeholders;
- The mission statement should be brief enough for most people to keep it in mind. This typically means 100 words or less;

UNION PACIFIC RAILROADS AND COLLEGES AND UNIVERSITIES

Consider, by way of analogy, the story of Union Pacific Railroad. Nearly a century ago, Union Pacific's leaders were asked what business they were in. They responded somewhat belligerently that they were in the railroad business. Unfortunately for them, the airline, trucking, and air cargo industries have sliced the bulk of their revenue. Had Union Pacific realized it was in the transportation business they might still be a dominant player.

Ask yourself these questions:

- Are you in the "students must sit in front of the faculty" business or the education business?
- Are you in the "library as repository of books" business or in the "library as gateway to information" business?
- Are you in the "students must fit our mold" business or are you in the "willing to adjust your mold to reflect their needs and differences" business?

These and other paradigm-rattling questions will likely emerge as part of the values scan and the stakeholder audit.

Mission Worksheet

To begin, the college asked respondents to rate Salem Community College from 0 (lowest) to 5 (highest) on the following:

____ Our mission includes elements that will endure beyond the tenure of anyone currently working here.

____ We are very careful not to confuse our mission with our mission statement.

____ We developed our mission completely before trying to write a mission statement.

____ We don't try to substitute strategies, plans, and goals for mission.

____ All employees gave input to the development of the mission

____ Our mission could easily be understood by a twelve year old.

____ After 30 days of working, new employees can passionately articulate the mission in their own words.

____ Our employees think our mission is worthy.

____ Our mission is achievable in total as well as in parts.

____ Our students and suppliers know, understand, and agree with our mission.

____ The public we serve, knows and understands our mission.

____ Our mission clearly differentiates us from our competitors.

____ We refuse to borrow our mission from anyone or buy it from a consultant.

____ Our mission is a declaration of what we want to be, not a statement of what we think others expect us to be.

____ Our mission has the passion to make people excel, work harder, and develop professionally.

____ We really believe that we could not operate successfully without a mission or a mission statement.

The higher the score, the tighter the fit between Salem Community College and its mission.

Figure 7-3

Mission Worksheet

Source: Salem Community College, adapted from *Value Inspired* (copyright 1997 James R. Lucas, used by permission of the publisher, AMACOM, a division of American Management Association International, New York. All rights reserved. (www.amacombooks.org)

- The mission statement should contain clear statements about:
  - "What" customer or client needs the organization is attempting to fill, not what products or services are offered;
  - "Who" the organization's primary customers or clients are;
  - "How" the organization plans to go about its business, that is, what its primary technologies are; and
  - "Why" the organization exists, that is, the overriding purpose that the organization is trying to serve and its transcendental goals.
- The mission statement should identify the forces that drive the college's or university's strategic vision;
- The mission statement should reflect the distinctive competencies of the organization.
- The mission statement should be broad enough to allow flexibility in implementation but not broad enough to permit a lack of focus;
- The mission statement should serve as a template and be the means by which internal stakeholders in the organization can make decisions;
- The mission statement must reflect the values, beliefs, and philosophy of the organization;
- The mission statement should be achievable. It should be realistic enough for organization members to buy into it;
- The wording of the mission statement should help it serve as an energy source and rallying point for the organization;

All 10 criterion must be met for the mission statement to fully accomplish everything that mission statements are capable of accomplishing. And while it is difficult to develop a mission statement that will fully meet all 10 criterion,

the authors believe that to the degree they are met, the mission statement will have the intended impact on organizational vitality.

Affirm the unchangeables

Perhaps the most important outcome of the clarification of your mandate, values, and mission is an affirmation of your unchangeables. Your unchangeables are just that: the qualities and characteristics that you simply will not negotiate or modify in light of internal (stakeholder) or external (marketplace) forces. It is upon these unchangeables—of which your mission statement is probably the most succinct declaration—that the rest of your strategic plan is built.

Formal adoption of the mission statement

In the likelihood that the evaluation of the mission leads to either a new mission statement or the fine-tuning of an existing statement, care and time must be taken to have that new mission formally adopted by the institution. However, because these approval processes are often lengthy, the overall strategic planning process should continue while the new mission is finalized, otherwise important momentum will be lost.

Ongoing communication

After gathering and refining your mandates, values, and mission, it is very important to communicate this information to the larger campus community. This is important because it keeps them informed of your progress and it gives them a chance for final input.

Recently Indiana Wesleyan College went through the mission-adopting process. When it was done, administration created a small, plastic card that carried the institution's values and mission. This card was widely distributed on and off campus and is given out to visitors and prospective vendors.

Additional reading

Much of this chapter focuses on new ways of looking at old things. In this light, I heartily recommend James Adams' *Conceptual Blockbusting*. I had the good fortune to first read Adams while in high school and I always smile when I stumble across it on my bookshelf. It is an old and valued friend. I also suggest James Lucas's *Fatal Illusions: Shredding a Dozen Unrealities that Can Keep Your Organization from Success*. While not geared toward colleges and universities, the principles and insights have obvious applications. I would also look at Joel Meyerson's *New Thinking on Higher Education* and Mark Emmert's *Trusteeship* article, "The Tyranny of our Traditions." I also suggest Richard Neustadt's *Thinking in Time: The Uses of History for Decision-Makers*. It's a fascinating read and wholly appropriate for any discussion on decision making in higher education. Finally, consider Henry Rosovsky's *The University: An Owner's Manual*. This is an insightful book that well expresses the most important qualities and characteristics of our colleges and universities.

CHAPTER 8

Establishing a Vision for the Future

"Without vision, the people perish."

— Proverbs 27

"I have a dream."

— Martin Luther King, Jr.
Civil rights activist

Have you ever tried to put together a jigsaw puzzle? If you have, you know how useful the picture on top of the box is. It gives you a sense of what the puzzle should look like, and without it, chances are, it will take much longer to complete the puzzle, if you finish it at all.

A well-crafted vision serves the same purpose as that picture on the top of the puzzle box. It is a guide, a sense of what your institution should look like—it is the completed puzzle.

This chapter explores the importance of that "picture" as part of the strategic planning process. It also examines the role of leadership in the visioning process and the steps for completing an institutional vision.

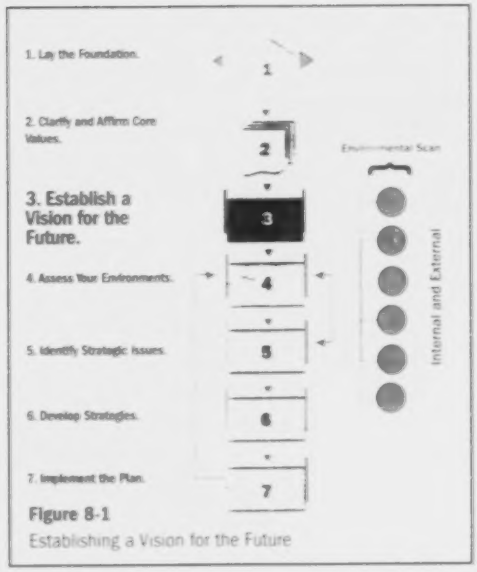

Figure 8-1
Establishing a Vision for the Future

What is vision?

Burt Nanus in *Visionary Leadership* defines vision as "a realistic, credible, attractive future for your organization." He says there is no more powerful engine driving an organization toward excellence and long-range success than an attractive, worthwhile, and achievable vision of the future that is widely shared. Leonard Goodstein et al. in *Applied Strategic Planning* prefer the term "envisioning" over vision, though the concept is largely the same. In their minds, envisioning is the process by which individuals or groups develop a dream of the future for themselves or their organizations that is both sufficiently clear and powerful to arouse and sustain the actions necessary for that dream to become a reality.

John Bryson reminds us in *Strategic Planning for Public and Nonprofit Organizations* that while a mission statement answers the

questions: "Why does our organization exist?", "What business are we in?", and "What values will guide us?", a vision statement answers the question: "What will success look like?"

George Keller writes in "The Vision Thing in Higher Education," "A vision is a combination of gut values and a tangible goal." He says gut values need to be part of the college's tradition and at least a large minority on campus must already subscribe to them. If the values articulated in a vision are too idealistic or vague, he argues, the vision will be treated cynically. Keller also believes it is not enough to express one's deepest values in a vision statement. The vision must also have a tangible outcome. It should be an inspiring picture of a different future, something that seems slightly out of reach but achievable if enough people work on it.

James Kouzes and Barry Posner, in *The Leadership Challenge*, like the term "vision" for a number of reasons. First, vision is a "see" word. It evokes images and pictures. Second, vision suggests a future orientation—a vision is an image of the future. Third, vision connotes a standard of excellence, an ideal. It implies a choice of values. And finally, vision also has a quality of uniqueness. With this in mind, Kouzes and Posner define a vision as an ideal and unique image of the future.

What a vision is not

To clarify what a vision is, it is sometimes helpful to approach it from the opposite direction. Russell Bredholt, in a 1995 presentation to a group of Nazarene colleges and churches, says vision is not the following:

- A mission.
- Factual.
- True or false.
- Static or enunciated for all time, or
- A constraint on actions except those that are inconsistent with the vision.

The need for vision in organizations

Karl Albrecht uses "the northbound train" metaphor to describe how important vision is to an organization. To Albrecht, the northbound train conveys an unwavering commitment to a particular direction.

> Think about the implications of a northbound train: purpose and direction.... No vision statement or mission statement can ever make much sense unless it originates in some valid concept about what it takes to succeed. It is not a platitude. It is not a slogan. It is not an exercise in journalism; it is an exercise in careful, clear, creative, disciplined, and mature thought. It provides a critical success premise that leaders can understand, commit to, and dramatize to others. The idea of a moving train also conveys a strong sense of momentum, of unstoppable, implacable movement in an unambiguous direction.

Albrecht argues that leaders and followers must be able to clearly imagine this northbound train. "The key word is image—something that you can describe and that people can see in their mind's eye. It is a mental picture of an enterprise, operating in an environment, performing to some criterion of excellence, and appreciated for what it contributes."

Attributes of an inspirational vision

The jaded among us may not believe that a vision is capable of inspiration. But, James Kouzes and Barry Posner strongly argue that in cynical times, an inspirational vision is even more important because

- it focuses on a better future;
- it encourages hopes and dreams;
- it appeals to common values;
- it emphasizes the strength of a unified group;
- it uses word pictures, images, and metaphors; and
- it communicates enthusiasm and kindles excitement.

To Kouzes and Posner's list, I would add that an aspirational vision

- is appropriate—consistent with mission, history, values, and culture;
- reflects high ideals and standards of excellence;
- is clear in purpose and direction; and
- is ambitious.

THE ORGANIZATIONAL IMPLICATIONS OF VISION

John Kotter, in *Leading Change*, believes a strong vision must motivate the individual and the organization by having these qualities:

- Imaginable: Conveys a picture of the future.
- Desirable: Appeals to the long-term interests of employees, customers, and others with a stake in the enterprise.
- Feasible: Comprises realistic, attainable goals.
- Focused: Is clear enough to provide guidance in decision making.
- Flexible: Is general enough to allow individual initiative and alternative responses in light of changing conditions.
- Communicable: Is easy to communicate; can be successfully explained within five minutes.

Benefits of a good vision

Organizational theorists and day-to-day managers know a widely shared vision is an essential element in organizational success. John Bryson says

- Visions communicate what is singular and unequaled: they set organizations apart from one another;
- Visions give stakeholders specific, reasonable, and supportive guidance about what is expected of them and why. Stakeholders see how they fit into the big picture. It gives them a sense of alignment;
- A vision helps clarify the organization's definition of success and desirable behavior, thereby helping people discriminate among preferred and undesirable actions and outcomes;
- An articulated vision lessens internal debate and helps the institution focus its resources and energy. (John Kotter calls this "clearing the decks of expensive and time-consuming clutter.") Less time will be expended on debating what to do, how to do it, and why, and more time can be devoted simply to getting on with the institution's business. An agreed-on vision may contribute to a significant reduction in organizational conflict;
- A clear vision of success provides an effective substitute for leadership. When the vision is clear, there is less need for someone to point the way continually; people are more able and inclined to lead and manage themselves; and
- A vision can be inspirational and motivating. If a vision of success becomes a calling, an enormous amount of individual energy and dedication can be released in pursuit of a forceful vision.

Vision as direction; vision as motivation

The Web site *AllianceOnLine.com* reports on a longitudinal study that Yale University conducted on goal setting. In 1953, Yale surveyed the graduating class on commencement day to determine if they had written goals for what they wanted their lives to become. Only three percent had such a vision. In 1973, Yale surveyed the surviving members of the class of 1953 again. The three percent with a vision had accumulated greater wealth than the other 97 percent combined. Is there any reason to think that what works for an individual will not work for an organization?

The amazing vision of Martin Luther King, Jr.

On August 28, 1963, Martin Luther King, Jr. delivered a short speech on the steps of the Lincoln Memorial in Washington, D.C. I suspect, like Lincoln at Gettysburg, King had no idea how much his speech would inspire, challenge, and lead. In just 1,600 words, less than three typed pages, King lit a fire that still illuminates and guides. Not only did he have a dream, he had a vision. I have excerpted portions of the speech below.

I HAVE A DREAM

By Dr. Martin L. King, Jr.

> ... I have a dream that one day this nation will rise up and live out the true meaning of its creed: we hold these truths to be self-evident that all men are created equal.
>
> I have a dream, that one day on the red hills of Georgia the sons of former slaves and the sons of former slave owners will be able to sit down together at the table of brotherhood.
>
> I have a dream, that one day even the state of Mississippi, a state sweltering with the heat of injustice, sweltering with the heat of oppression, will be transformed into an oasis of freedom and justice.
>
> I have a dream, that my four little children will one day live in a nation where they will not be judged by the color of their skin but by the content of their character.
>
> I have a dream today!

King's speech is a tremendous example of vision and in spite of the terrible tragedy of his death, his speech continues to guide long after he is gone.

Sample vision statements

This section lists sample vision statements from a handful of colleges and universities.

Vision statement—Santa Clara University

Santa Clara University will excel in educating men and women for competence, conscience, and compassion. We will realize this vision by combining teaching and scholarship of high quality, integrated education in the Jesuit tradition, and a commitment to students as persons. Our success will result in increased national recognition and a greater ability to attract the students, faculty, staff, and resources we seek.
(*www.scu.edu/SCU/strategicplan/selfstudy/homepage.html*)

Vision statement—Indiana Wesleyan University

This vision statement is reproduced on a pocket card for staff members to carry with them.

Indiana Wesleyan University will prepare each student to become a world changer. We will accomplish this by drawing students into an integrated experience of intellectual challenge, spiritual growth, and leadership development. Then we will

- call students to Christian character;
- expect academic excellence;
- equip them for success in their vocations;
- mentor them in leadership; and
- prepare them for service.

(*www.indwes.edu/AboutIWU/GeneralInfo.html*)

Vision statement—the University of Northern Iowa

The University of Northern Iowa shall be a university community that nurtures and an environment of intellectual vitality. A commitment to excellence, coupled with continuous improvement will result in UNI being recognized nationally as an innovative, dynamic, and exciting community in which to learn, teach, and work. UNI will be known for educational quality, a student-centered focus, scholarship, teacher-scholar faculty, and service beyond the campus.

(*www.uni.edu/infosys/fsp/fspvalue.html*)

Vision statement—Rice University

Our vision of Rice in the decade that lies ahead is of a high quality but small and focused university that uniquely combines the best qualities of a residential undergraduate college with the intellectual vitality of a research university. We will retain and build on the institutional values that have served us so well. We will continue to place excellence above all else in the pursuit of our three-fold mission of education, research, and service to the community. A dedication to high quality teaching and personal interaction between students and faculty will continue to characterize our educational programs as we strengthen and revise them to better prepare our students to live and work in the twenty-first century. We will use our small size to our advantage, ever mindful of the need to carefully select only those initiatives that we can pursue with the highest possible standards. Guided by prudent fiscal management, we envision that Rice will continue to strengthen its competitive position with respect to our ability to attract the best students and faculty from all parts of the nation and the world. We aspire simultaneously to outstanding research and to superb teaching, to scholarly pre-eminence and to the intimacy of a small residential college, to interdisciplinary breadth within the context of robust traditional disciplines, to active engagement with the world "beyond the hedges" and to a life of learning and contemplation within our cloistered quadrangles.

(*www.ruf.rice.edu/~provweb/plan/vision.html*)

Vision Statement—Dickinson College

Dicksinson College has a vision for its future that is both mindful of our heritage and appropriate to the challenges we now face. We must continue to fulfill our historic mission, but within a modern context, and with a forward-looking, innovative, and disciplined vision for the college that engages American and the world.

(*www.dickinson.edu*)

A nontraditional vision for a nontraditional college—Georgia Virtual Technical College

The vision for the Georgia Virtual Technical College is:

- To remove the obstacles of both time and place to post-secondary education opportunities for individual and corporate citizens of Georgia by developing and demonstrating innovative, cost effective approaches to delivering education through the use of rapidly evolving advanced technology.
- To provide a means for learners to obtain formal recognition of the skills and knowledge obtained outside a traditional higher education (campus) context and/or from multiple providers through the assessment and certification of competency.
- To encourage joint development of new learning and assessment materials among the technical institutes and with private entities, and technology standards that ensure connectivity.

(*www.gvti.org*)

Essential qualities of college and university vision statements

The better vision statements are short and concise. They set a clear direction and clarify what they will do and be, as well as identify what they will not do and be.

Strong vision statements advance qualities and characteristics that are important to the institution. They are context rich and where appropriate and meaningful, they are unique and distinctive. They also advance core values and inspire.

And finally, strong vision statements resonate with both internal and external stakeholders and, by extension, have application for both student recruiting and fund raising.

Leaders and their role in the visioning process

Warren Bennis recently authored *Organizing Genius*, which deals with the challenges and opportunities of working with great groups; teams of people who undertake and complete paradigm-shifting projects against sometimes unbelievable odds. He cites the group of women and men who created the stealth bomber, a group that worked for Disney, and the original campaign com-

mittee for Clinton's first election to the White House.

At one point, Bennis poses the rhetorical question: Who succeeds in forming and leading a great group? His answer gets at the heart of leading and visioning. Great groups, he says, are lead by someone who is

> almost always a pragmatic dreamer. They are people who get things done, but they have immortal longings … They are always people with original vision. A dream is at the heart of every great group. It is always a dream of greatness, not simply an ambition to succeed. The dream is the engine that drives the group, the vision that inspires the team to work … The dream is also a promise on the visionary's part that the dream is attainable.

The four roles of leadership

According to Karl Albrecht in *The Northbound Train*, today's leaders have four distinct roles:

- The leader as visionary creates meaning by crafting the vision, mission, and direction that define the focus of the enterprise.
- The leader as team builder puts the right people in the right places for the top-level leadership team, welds them into a single-minded core of advocacy for the common cause, capitalizes on their individual strengths and resources, and continually develops them as team and individual leaders who can serve the mandate required of them.
- The leader as a living symbol is the individual who "walks the talk" in a highly visible way, demonstrating not necessarily a charismatic style of leadership, but a constant and unrelenting pattern of reinforcing the institution's vision.
- The leader as buck-stopper faces the difficult issues, discerns the truth of challenges, and makes the tough decisions and dramatic changes that have to be made. While this involves open-minded listening and collaboration with the leadership team, it is the leader who must ultimately face the music and manage the organization's response to critical issues.

Visionaries as leaders

Burt Nanus, in *Visionary Leadership*, views leaders in a slightly different way. While he agrees that there are four dimensions (Figure 8-2), his are oriented toward inside and outside environments and present and future domains.

The *Direction Setter* selects and articulates the target in the future external environment toward which the organization should direct its energies. Good direction setters set a course toward a destination that others recognize as real progress for the organization.

The *Change Agent* is responsible for catalyzing changes in the internal environment. Good change agents articulate developments in the outside world, assess their implications for your institution, create the sense of urgency and priority for changes that your vision requires, promote experimentation, and empower people to make the necessary changes. They also build flexibility into an organization and operations and encourage prudent risk-taking.

The *Spokesperson*—as a skilled speaker, a concerned listener, and the very embodiment of the organization's vision—is the chief advocate and negotiator for the organization and its vision with outside constituencies. Effective spokespeople are the major negotiators with other organizations and the builders of external relationships that provide useful ideas, resources, support, or information for an organization. The spokesperson and the vision must become both the medium and the message that express what is worthwhile, attractive, and exciting about the future of an organization.

The *Coach* is a team builder who empowers individuals in the organization and passionately "lives the vision," thereby serving as a mentor and example for those whose efforts are necessary to make the vision become reality.

These four roles—direction setter, change agent, spokesperson, and coach—together define the job of the visionary leader. They are all equally important, and no one, says Nanus, can be a successful leader without excelling at all of them.

The right vision—the truest test of leadership

Nanus believes the creation and articulation of the right

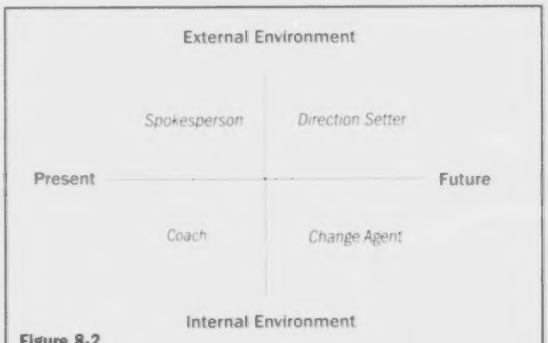

Figure 8-2
Four Domains of Leadership
This chart is based on a chart that appears in Burt Nanus, *Visionary Leadership* (Jossey-Bass Publishers, 1992)

vision is the toughest and truest test of great leadership. When this is achieved, he writes, the organization is well on its way to the realization of its dreams. Nanus outlines the forces that are "unleashed" when a vision is enabled. He says that the right vision

- attracts commitment and energizes people,
- creates meaning in the lives of employees,
- establishes a standard for excellence, and
- bridges the present and the future.

Determining whether you need a (new) vision

The creation or refining of a vision is a central element of an overall strategic planning process. However, in some cases, the vision might not need updating. And while there is no simple way to ascertain whether your vision is still doing the job, here are some warning signs that your current one may no longer be adequate.

According to Nanus, confusion about purpose is a key warning signal. Do key people frequently disagree about direction, target audiences, or overall purpose? Another sign is pessimism about the future or cynicism about the present. Is the college or university losing such market share in full-pay students, position, or its reputation for innovation? Are other colleges and universities doing a better job meeting the needs of the students you once served? Does your college or university seem out of touch with environmental trends? Do trustees or advisory groups suggest you have lost your edge or are not keeping up with changes in the marketplace, education, or teaching technology?

Is pride declining? Are committee assignments slipping, routine meetings skipped, deadlines missed? Does anyone care?

Is there excessive risk avoidance, with people abiding in, and sometimes taking shelter behind, narrow job descriptions, unwilling to accept responsibility for new projects or resisting change?

Is there a lack of progress or momentum? Is it difficult for your department heads to articulate how much things are improving? Do they still feel they have an attractive future with the institution?

Is there a hyperactive rumor mill, with people constantly trying to find out through the grapevine what is in store for them or the organization? Is the grapevine more likely to be believed than formal communication from senior administrators?

The vision audit

To help determine whether or not your vision needs to be adjusted or even recreated, Nanus suggests a vision audit. The audit should be completed by the president working in close conjunction with the strategic plan's coordinating/steering committee.

As part of the audit, the coordinating/steering committee asks the following questions of key internal and external stakeholders:

- Does the organization have a clearly stated vision? If so, what is it?
- If the organization continues on its current path, where will it be headed over the next decade? How good would such a direction be?
- Do the key people in the organization know where the organization is headed and agree on the direction?
- Do the structures, processes, personnel, incentives, and information systems support the current direction of the organization?

Salem Community College conducted a vision audit as part of its strategic planning process. During the audit, administrators used six questions to help members of the campus community think about the value and currency of their existing vision:

- Is the vision shared by all stakeholders?
- Would you say that we share a common unspoken vision?
- Do individuals have differing visions?
- Do departments have differing visions?
- Do we share a common language?
- What are the barriers to a common language and a common vision?

Dickinson College asked five questions of its stakeholders as it examined and refined its vision:

- Where do we want to be?
- What will our organization look like; how do we work together?
- How do we view our faculty and staff; our students and their parents; our alumni; and the external public?
- How will we use technology to further our mission?
- What are our core values as an organization?

Two broad approaches to visioning

Generally, there are two approaches to developing a vision. The first approach is relatively autocratic, the second more consensual. The challenge, of course, is deciding which

approach is best for you and your institution.

If your institution is in peril and significant internal and external stakeholders recognize the need for timely action, then it is more permissible for a president—after a careful analysis of the institution, its audiences (both internal and external), and the marketplace—to declare a vision.

However, if the institution has a history of consensual decision making, and if faculty, staff, administrators, and even students are often involved in debating issues and setting priorities, then an autocratic vision process will not work. Internal and external stakeholders must be involved.

There is an important rule about establishing a vision that must not be overlooked. In the absence of a recognized crisis, if you fail to involve internal and external stakeholders in creating the vision, you run the risk of that visions never taking hold. Remember, a campus culture will almost always outlast its leadership.

Says Robert Smith, provost of Slippery Rock University,

> An institution in crisis, moving in the wrong direction, or without a reserve of talented potential leaders will not likely develop a shared vision without the forceful persuasive powers of the single leader. In this culture, the leader may have to set the tone, direction, and specifics of a vision for others to follow.
>
> However, some cultures have a core set of values, direction, and a sense of purpose but lack unified focus and commitment to action. In this culture, the leader resurrects a vision from the other team members and, using shared ownership, brings focus and direction to the organization. This approach recognizes that frustration, alienation, disillusion, and morale are closely tied to a lack of shared vision.
>
> Once the college or university has a team-derived and focused vision statement, then the energy is focused on achieving the vision.

There are two large steps in the visioning process. The first is the creation of the vision itself. The second is the communicating of the vision throughout and beyond the organization.

Creating the vision

Burt Nanus says vision is composed of one part foresight, one part insight, plenty of imagination and judgment, and often a healthy dose of chutzpah. He argues that visions occur to a well-informed, open mind, a mind prepared by a lifetime of learning and experience, one sharply attuned to emerging trends and developments in the world outside the organization. Creativity certainly plays a role in the visioning process, but it is creativity deeply rooted in the reality of the organization and its future possibilities.

It is this idea of future possibilities, a preferred future, that is central to vision. Keep in mind the earlier idea of "envisioning," of seeing something that is better and different than the current state of affairs. In most cases, the responsibility for this seeing as part of the strategic planning process rests with the president. Often, it is his or her sense that something is wrong, or not as right as it could be, that serves as the catalyst for the strategic planning process.

Vision as a catalyst for planning

In 1981, Russell Ackoff suggested four different approaches to planning:

- Reactive, or planning through the rear-view mirror;
- Inactive, or "going with the flow;"
- Preactive, or preparing for the future; and
- Proactive, or designing the future and making it happen.

It is this last approach, designing the future and making it happen, that depends most heavily on the visioning process. Proactive planning recognizes the future is not preordained and organizations can shape their futures just as individuals can shape their lives.

John Kotter says developing a vision is an exercise of both the head and the heart, it takes time, it involves a group of people, and it is tough to do well.

In most cases, especially if the vision is a precursor to the larger strategic plan, the visioning process follows a pattern like that in Figure 8-3.

In Step 1, the president is looking for a vision fit by reviewing historic documents such as founding charters (remember those formal mandates) and the current mission and vision. The president asks these questions:

- If the vision is made real, how will it affect our relationship with customers and stakeholders?
- How will this vision change us?
- Will it be durable enough to help us meet the challenges ahead?
- Will it inspire and motivate?
- Will it clarify?

In Step 2, working with a small group of administrators, staff, and faculty leaders, the president drafts a new vision. He or she may try out some ideas or concepts in a speech or two. The president may also test the campus waters to determine the climate for a new vision. Chances are he or

she will talk to a few campus opinion leaders and a major donor or two to gauge their reactions to both the idea of a new vision and the new vision itself.

In Step 3, the vision is "walked" among the members of the strategic plan's coordinating or steering committee. At this point, the vision is emerging but premature. Step 3 is important because not only does it increases the likelihood that the vision will be accepted by key campus constituencies, but also because of the iterative nature of Step 3, it is a great refining process. This is the messiest part of the process; the vision goes back and forth—ahead three steps and back two.

At the conclusion of Step 3, the input from the coordinating/steering committee is finalized and returned to the president. In Step 4, the president finalizes presents vision to the campus (Step 5).

The final step, Step 6, is the building of a coalition of supporters and collaborators through ongoing communication of the vision to internal and external stakeholders, friends, and even customers.

How big is your reach

One of the most important qualities of a vision is that it is feasible … barely. Balancing feasibility and the need to stretch can be a difficult task. If the vision is clearly not feasible then stakeholders will become discouraged and cynical. For example, Soviet farmers merely laughed when they were told their goal was to match the U.S. agricultural output.

At the same time, the vision must encourage people and organizations to stretch. A vision that requires only minor changes in behavior and has only limited goals has no ability to inspire.

Looking again at King's amazing vision

James Kouzes and Barry Posner often use the King speech as part of their leadership seminars. During one exercise, they asked workshop participants what they noticed when listening to the speech. The participants responded with these comments:

- "It was vivid. He used a lot of images and word pictures. You could see the examples."
- "He appealed to common beliefs."
- "He knew his audience."
- "He included everybody; different parts of the country, all ages, both sexes, major religions."
- "He used a lot of repetition; for example, 'I have a dream,' 'Let freedom ring.'"
- "He said the same thing in different ways."

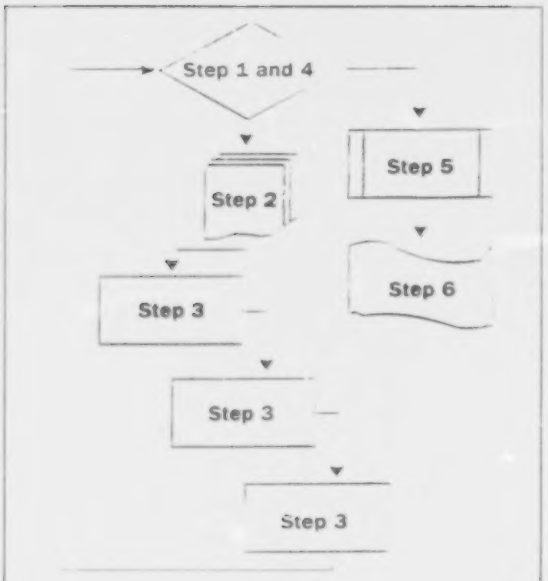

Figure 8-3
Visioning Process

- "He was positive and hopeful."
- "There was a cadence and a rhythm to his voice."
- "He shifted from 'I' to 'we' halfway through."
- "He spoke with emotion and passion. It was deeply felt."
- "He was personally convinced of the dream."

Kouzes and Posner take the discussion one step further. They list the observations and ask workshop participants: Can your vision have the same qualities? When creating your vision, can you

- use images and word pictures?
- use examples that people can relate to?
- appeal to common beliefs?
- be positive and hopeful?
- shift from "I" to "we"?
- speak with passion and emotion?
- have personal conviction about the dream?

Keep moving forward

Chapter 7 stressed the importance of keeping the strategic planning process moving forward even as you refine the mission statement or seek the approval of the appropriate governing bodies. The same recommendation is made here. It is important not to spend too much time wordsmithing the vision. Once the vision's

broad sweep has developed, continue with the planning process. Refining the vision can continue throughout the process.

Communicating the vision

The real power of a vision, suggests John Kotter, is unleashed only when most of the stakeholders have a common understanding of its goals and direction. That shared sense of a desirable future can help motivate and coordinate the kinds of actions that are transforming.

In a similar vein, Burt Nanus reminds us of the following formula:

Vision + Communication = Shared Purpose

The final step in the visioning process, Step 6, recognizes the need to build a coalition of collaborators through the continual communication of the vision to on- and off-campus stakeholders, friends, and customers.

Benefits of a communicated vision

As part of their book on leadership, James Kouzes and Barry Posner conducted a study in which they asked managers about the short- and long-term impact a well-communicated vision had on employees. They discovered when visions are communicated effectively there were higher levels of

- job satisfaction,
- commitment,
- loyalty,
- *esprit de corps*,
- clarity about the organization's values,
- pride in the organization,
- organizational productivity, and
- encouragement to be productive.

Critical elements in the effective communication of a vision

John Kotter in *Leading Change* suggests seven key elements in the communication of a vision:

- Simplicity;
- Metaphor, analogy, and example;
- Multiple forms;
- Repetition;
- Leadership by example;
- Explanation of seeming inconsistencies; and
- Give-and-take.

Simplicity

The time and energy required for the effective communication of a vision are directly related to the clarity and simplicity of the message. Focused, jargon-free information can be disseminated to large groups of people at a fraction of the cost of clumsy, complicated communication. Technobabble, MBA-, and planning-speak just get in the way; they create confusion, suspicion, and alienation. Communication works best when it is direct and simple, with a pared-down elegance.

Metaphors, analogies, and examples

This chapter introduced Karl Albrecht's idea of a northbound train. What a wonderful metaphor to describe an organization that is moving ahead with a sense of purpose and direction. In some respects, the more complex, large, and even amorphous the college or university, the more concrete and explicit the metaphor must be. To phrase it another way, would you rather work for a bureaucracy or a northbound train?

Use many different forms

The vision will be most effective when many different communications vehicles are used: large group meetings, memos, newspapers, posters, and informal one-on-one talks. When the same message comes at people from six different directions, it stands a better chance of being heard and remembered, on intellectual and emotional levels. Channel A answers some of the questions people have, Channel B addresses others, and so on.

SENGE'S POSSIBLE ATTITUDES TOWARD A VISION

Of course, not everyone will have the same response to a vision. In fact, according to Peter Senge, there are six possible attitudes or responses toward a vision:

1. Commitment: Wants it. Will make it happen. Creates whatever "laws" (structures) are needed.
2. Enrollment: Wants it. Will do whatever can be done within the "spirit of the law." Implies free choice; not "being sold a vision."
3. Genuine compliance: Sees the benefits of the vision. Does everything expected and more. Follows the "letter of the law." "Good soldiers."
4. Formal compliance: On the whole, sees the benefits of the vision. Does what's expected and no more.
5. Grudging compliance: Does not see the benefit of the vision. But, also, does not want to lose job. Does enough of what's expected because he has to, but also lets it be known that he is not really on board.
6. Noncompliance: Does not see benefits of vision and will not do what's expected. "I won't do it, you can't make me." Apathy. No interest. No energy. "Is it five o'clock yet?"

Repeat

A long time ago I worked for a PR veteran who was always telling me to use the multipliers. He understood, as I eventually did, that the most carefully crafted messages rarely sink deeply into the recipient's consciousness after only one pronouncement. Our minds are too cluttered, and any communication has to fight hundreds of other messages for attention. A single airing won't address all the questions we have; effective information transferal almost always relies on repetition.

John Kotter inspired the following two scenarios. In Case A, the new vision is introduced in three speeches and is the subject of three articles in the president's newsletter for a total of six repeats over a six-month period.

In Case B, the college's president and four vice presidents pledge to each find four opportunities per day to tie conversations back to the big picture. So when the VP for advancement is meeting with her top three people to review monthly results versus plan, she asks that all decisions be evaluated in light of the new vision, which she repeats. When the VP for finance does performance evaluations for an employee, he ties his assessments to major change initiatives. When the VP for academics conducts an orientation for new faculty, he answers the first inquiry by saying, "I think yes, but let me explain why. The vision directing our change efforts is…"

The net result: one president and four VPs x four times a day, over six months equals more than 3,600 repeats. Six versus 3,600. Which is the better communication strategy?

Most transformational visions include tens of thousands of communications that help faculty and staff to grapple with difficult intellectual and emotional issues. This occurs not because the public relations department takes on "vision distribution" as a "project," but because the president, VPs, middle managers, faculty leaders, and dozens of others look at their daily activities through the lens of the new vision.

Is the vision clear to you? Is it credible? A sentence here, a paragraph there, two minutes in the middle of a meeting, five minutes at the end of a conversation, three quick references in a speech—collectively, these brief mentions can add up to a massive amount of useful communication, which is generally what is needed to win over both hearts and minds.

Walk the talk or lead by example

Often the most powerful way to communicate a new direction is through behavior. When the top five or 50 people all live the change vision, employees grasp it better than 100 stories in the in-house newsletter. When the cabinet acts out the vision, troublesome questions about credibility and game playing tend to evaporate. Such behavior is called leading by example. Talk is cheap, but action is not. Seeing a president stop to pick up trash or a VP answering the telephone when her secretary has stepped away from the desk are powerful examples of living the vision. Or, as an apt Italian proverb reminds us, "Words do not make flour."

Explicitly address seeming inconsistencies

Not too long ago, I was in a boardroom at a small technical college in South Carolina. The room looked like the bridge of the Starship Enterprise. I could turn the lights on and off, control the sound, open and close the shades, even raise and lower a video projection unit and screen, all from a central control panel. I could also adjust the heat and probably order bagels. One wall of the room had 40-foot-long floor-to-ceiling windows. The carpet was plush and the seats were leather. The president could see that I was amazed and boasted of how it was equipped with "surround sound" and Web TV.

Ironically, the purpose of our meeting was to discuss how the financial aid budget could be reduced. I had a very difficult time being tactful that afternoon and even now, many months and miles removed, it's disconcerting to think of it.

Courage, will, and conviction

John Bryson says to construct a compelling vision, decision makers must be courageous. They must envision and listen to their best selves. And they must be disciplined enough to affirm the vision in the present and to work hard to make it real in the here and now. This is a ticklish issue. Even in an age of egalitarianism drawn from a tradition of collegiality, one individual—the president—is ultimately responsible for institutional vision. It is her or his responsibility to assess internal coalitions and external opportunities and obstacles and then declare a direction. It is her or his responsibility to provide the impetus to vision.

Articulating the vision to the campus community

A vision must be articulated to the entire campus community before it acquires the force necessary to change an organization and move it in an intended direction. In the same manner, unshared vision is not true vision.

The key to gaining widespread commitment to a new vision is to present it in such a way that people want to participate and will freely choose to do so. This must be a

central element of the overall visioning process.

During a recent presentation before a president and his five chief administrators, I asked whether the institution had a vision for success. All nodded. I then asked them each to take out a piece of paper and write out the vision. As I read them aloud, it was clear that the vision was not as shared or communicated as they thought. When visiting Baylor University a few years ago, I asked a member of the grounds crew if he knew what Baylor's vision was. "Sure," he said, "I have a copy of it right here." The man pulled a laminated card from his shirt pocket inscribed with Baylor's mission and vision.

Peter Mitchell, president of Albion College, believes that the campus and wider community expect, even demand, that a president aggressively articulate a vision. As chief spokesperson and chief fund raiser, the president must poignantly and passionately communicate the vision for the institution. There is a direct relation between effectively articulating a vision and successful institutional transformation. Mitchell concludes,

> All three of my presidencies began with envisioning the future and moved immediately into a major fund-raising campaign. People and organizations give to visions and dreams. Norman Cousins captured this process very well when he wrote, "Dreams put human beings into motion; and if the dream is good enough, it will overcome happenstance and paradox; and will be far more powerful than the practical designs of those with no poetry in their souls." The effective vision and the effective president has poetry in its soul.

Like Mitchell, Philip Gilbertson, provost at the University of the Pacific, believes presidential vision is essential. Gilbertson says it is difficult to order priorities without a clear institutional vision, and that vision must be either fashioned or claimed by the president. A visionary president will want to work in concert with the strategic planning units of the institution. A president who has difficulty fashioning a vision should enable the strategic planning group and the board to develop it, but the president must claim it. If the president cannot claim a vision then the institution will drift from the critical aim of pursuing focused priorities.

In *The Leadership Challenge*, James Kouzes and Barry Posner write about a faculty convocation at Santa Clara University, where the president, Reverend William J. Rewak, spoke eloquently about the changes anticipated for the campus. After he showed slides of planned new buildings and gardens, he said: "Vision needs management, electricity, and concrete." Grand dreams, he reminded us, cannot become significant realities with *élan* alone. Leaders must have detailed plans. They must steer projects along the course, measure performance, raise funds, and take corrective action. Many conventional management practices are useful, yet if a person is to direct the course of action, the leader must model the way.

Kouzes and Posner go on to say that leaders inspire a shared vision by breathing life into others' hopes and dreams and enabling them to see the exciting possibilities the future holds. Leaders get others to buy into their dreams by showing how all will be served by a common purpose.

In some ways, leaders live their lives backwards. They envision results even before they have started their projects, much as an architect draws a blueprint or an engineer builds a model. Their clear image of the future pulls them forward. But visions seen only by leaders are insufficient to

INCREASE THE ODDS OF FULFILLING YOUR VISION

Not all visions will be successful, but to increase the likelihood of success, Burt Nanus suggests these strategies summarized here:

- Don't do it alone. If you present your vision to the institution like Moses descending from Mount Sinai, you are simply asking for skepticism and resistance.
- Don't be overly idealistic. A vision should represent a worthwhile challenge, but it loses force if people think it is too ambitious or unrealistic.
- Reduce the possibilities of unpleasant surprises through effective forecasting and anticipating the full range of possible futures, drawing on the best experts (many of whom might well be on your campus), refusing to be lulled into conventional wisdom, and thinking of the future always in terms of alternative scenarios.
- Watch out for organizational inertia. It is natural for institutions to resist change and while the culture of organizations tends to endure, alterations are possible.
- Be patient and flexible when implementing the vision. Once the proper sense of direction has been determined and people in the organization have bought into the idea, there are always many different ways of getting there. Don't be afraid to delegate implementation.
- Never get complacent. Just because your vision may be working well in the near term does not mean it will last forever. Keep the focus.

create significant change or an organized movement. A person with no followers is not a leader, and people will not become followers until they accept the vision as their own. You cannot command commitment; you can only inspire it.

Conclusion

Visions have the power to focus, motivate, and inspire by offering direction and guiding our efforts. Visions speak to hearts as well as minds. If colleges and universities are to meet the challenges and opportunities of the marketplace, if they are to fulfill the needs and expectations of their stakeholders and customers, then a vision of success, wrapped in an effective strategic plan, is not a luxury or a distraction. Rather, it is a requirement.

Additional reading

Books on leadership and vision abound. I suggest Burt Nanus' *Visionary Leadership* and Karl Albrecht's *The Northbound Train*. I also strongly recommend two books by James M. Kouzes and Barry Posner. First, *The Leadership Challenge: How to Get Extraordinary Things Done in Organizations*. And second, *Credibility: How Leaders Gain and Lose It, Why People Demand It*. Finally, take the time to read Warren Bennis and Patricia Ward Biederman's *Organizing Genius* and John Kotter's *Leading Change* for practical insights on vision and leadership.

CHAPTER 9

Conducting the Situational Analysis

"It ain't the things that people don't know that's the problem. It's the things they do know that just ain't so."

— Will Rogers
American humorist

One of the most illuminating steps in the strategic planning process is the situational analysis. By definition, a situational analysis helps an institution assess its marketplace and heighten its alignment with key internal and external stakeholders.

With this in mind, a comprehensive situational analysis actually has two outcomes. First, it gathers essential data and perspective that clarifies strategic options, and, second, it is a powerful means to generate campus support for the planning process and the resulting plan.

Before reviewing the overall process, let's take a quick look at the what, why, and who of the situational analysis.

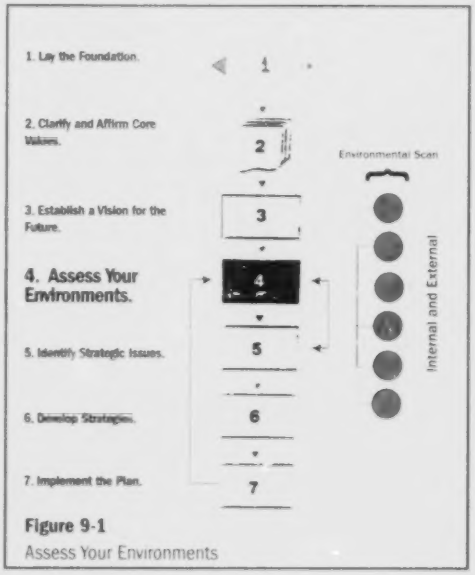

Figure 9-1
Assess Your Environments

What is a situational analysis?

A situational analysis is a careful, systematic evaluation of the institution and its external and internal environments. The goal of the situational analysis is to identify, clarify, evaluate, and prioritize issues and options that the institution is facing. A situational analysis looks both outward and inward, and it assesses external opportunities and internal competencies. A situational analysis is important because it

- provides vital information and insight;
- heightens the boundary-spanning skills of key decision makers;
- often discovers problems and threats that must be dealt with immediately;
- helps the institution prioritize the array of choices it must make; and
- builds internal and external support for the planning process.

There is an absolute correlation between the quality and aggressiveness of the situational analysis and the resulting strategic plan.

Who executes the situational analysis?

In most cases, the situational analysis is executed by the strategic plan's coordinating/steering committee. At this stage, the committee typically has two responsibilities: to oversee the overall situational analysis and to oversee the situational analyses at the essential task force level.

Rarely is the situational analysis completed by an outside consultant. More often, an outside consultant or research company assists the coordinating/steering committee or individual task committees, though seldom stands in their stead.

Developing the list of essential task area committees

In almost all instances, situational analyses are undertaken, organized, and completed by the essential task area committees on behalf of the strategic planning coordinating/steering committee.

Chapter 6 states that the purpose of an essential task area committee is to examine a key institutional process or activity. In general, most strategic plans tend to include eight to 10 essential task areas and perhaps a dozen or more subcommittees. Keep in mind that these committees often emerge directly from committees that already exist as part of the ongoing governance and administrative processes.

When reviewing the possible composition of, and number of, essential task area committees, keep in mind these considerations:

- The vision of the president,
- The initial strategic issues that concern the institution;
- The strategic planning model you have chosen;
- Initial expectations of what you hope to accomplish via strategic planning;
- The possible role of a consultant in the process;
- The amount of money available to support the situational analysis and plan;
- The overall time available to complete the situational analysis; and
- The skillsets and time availability of the members of the coordinating/steering committee and individual essential task committees.

Setting up essential task area committees

It is very dangerous to offer a prescriptive list of essential task area committees because it is such a context- and vision-dependent issue. The following essential task area committees are places to start:

- Academic affairs;
- Student recruiting and financial aid;
- Student development/retention;
- Institutional advancement and alumni relations;
- Marketing, communications, and image;
- Information technology;
- Facilities planning;
- Human resources; and
- Finance and budgeting.

What about enrollment management?

You are probably wondering why I didn't include student recruiting, student development, and retention under the broad category of enrollment management. While it may be trendy, to do so would be to short shrift the retention aspect of enrollment management. Because of the critical importance of retention on many campuses, my goal was to give it greater emphasis in the strategic planning process.

External and internal assessment foci

The purpose of the essential task area committees in this chapter is to complete the situational analysis, which typically has two broad domains: external and internal.

External assessments focus on the institution's external environment and external stakeholders. Committee members conducting the external situational analysis are interested in such issues as these:

- What major demographic trends should we monitor?
- How well are we serving alumni? Community residents? Donors?
- What is the competitive nature of our recruiting and fund-raising environment?

Internal assessments, on the other hand, focus almost exclusively on the institutions internal environment and internal stakeholders. This assessment concerns itself with such issues as these:

- What are our plans for using technology to enhance teaching and learning?
- How can we do a better job attracting and retaining key faculty and staff?
- What should our new library look like?

External/environmental assessment

A comprehensive external/environmental analysis should include these steps:

- Review linkages and exchange relationships with such key external stakeholders as business leaders, community leaders, local government officials, and area religious institutions (if applicable).
- Determine how such external publics as these perceive the institution:
  - Prospective students,
  - Parents,
  - High school influencers,
  - Regional employers,
  - Business leaders,
  - Alumni,
  - Community residents,
  - Community leaders,
  - Legislators and legislative staffs (if applicable),
  - Donors, and
  - Foundations.
- Examine local, regional, national, and international economic, demographic, and employment trends.
- Determine unmet educational need in primary service area.
- Analyze/compare the institutions with which the institution competes for students, gifts, or media attention.
- Audit external communication strategies.

Internal/institutional assessment

The internal/institutional analysis may include these steps:

- Evaluate current leadership and such planning documents as:
  - Existing strategic plan,
  - Academic plan,
  - Marketing plan,
  - Recruiting plan,
  - Communication plan/crisis plan,
  - Fund-raising plan,
  - Capital-improvement plan, and
  - Technology plan.
- Review current market research.
- Review quality and currency of the institution's general core and overall curriculum.
- Evaluate faculty competencies.
- Evaluate success of current recruiting and fund-raising strategies and activities.
- Determine how such internal audiences as students, faculty, staff, administrators, and trustees perceive the institution. (Some may consider trustees an external constituency.)
- Examine current product, price, place, and promotion strategies.
- Review facilities and the physical plant.
- Evaluate deferred-maintenance schedule.
- Audit internal communication strategies.

Coordination and control

One of the most difficult challenges of a comprehensive situational analysis is that the boundaries of who does what with whom are not always clear. Let's consider the essential task area charged with student recruiting. In an ideal situation, this committee should look at the programs being offered by the college or university and ask: Are they still current? Is there demand? Are there new programs that should be offered? Of course, these questions might also fall into the domain of the academic essential task area. Clearly there is overlap and unless the domain of each essential task area is carefully delineated at the outset, the likelihood is high that these two committees will squabble over turf.

For this reason, it is very important that the individual essential task-area assignments and analyses be coordinated by the strategic planning coordinating/steering committee. If they are not, then the potential for conflict and confusion is very high and valuable time and resources will be lost. (See Figure 9-2.)

A situational analysis—step-by-step

Before offering an overview of how to undertake a situational analysis, I want lay out a roadmap for the journey.

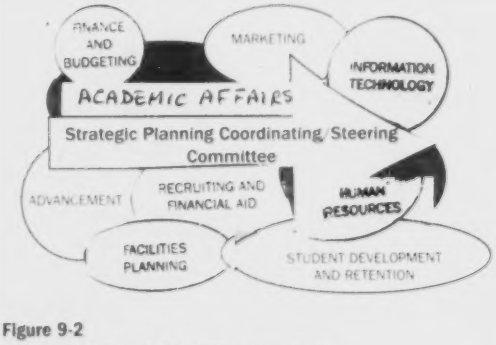

Figure 9-2
Overlap of Essential Task Area Committees

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Keep in mind that planning is generally not as linear as the overview suggests. Most steps are quite iterative and often involve going back and forth as key understandings are sought and refined. Many of these steps will be covered in greater detail in this chapter.

1. The decision to proceed with strategic planning is made by the president in close consultation with key administrators, faculty leaders, trustees, and others.
2. The president establishes the strategic planning coordinating/steering committee.
   a) Note: Either a traditional SWOT-based situational analysis or a PO-based situational analysis is chosen. The differences between the two will be discussed later in this chapter.
3. The strategic planning coordinating/steering committee includes representatives from essential task areas such as academics, student recruiting, facilities, etc.
   a) Note: It is very important for each major task area to be represented on the coordinating/steering committee.
4. The coordinating/steering committee establishes the ground rules, budget, and timeline for the situational analysis. It may also provide education and training on the strategic planning process.
   a) Note: The coordinating/steering committee should make dollar and other institutional resources, including data, available to individual essential task-area committees.
5. The strategic planning coordinating/steering committee coordinates the situational analyses that are being completed by the essential task area committees.
6. As part of their work, the essential task area teams must determine and examine these:
   - Task area SWOT or PO.
   - Stakeholder expectations for their individual task areas.
   - How well stakeholders believe their individual task areas are performing.
   - Metrics or key performance indicators for each essential task area.
     a) Note: This is a critical because it "forces" task area members to think not only about themselves, but about their performance *vis-à-vis* stakeholder expectations.
     b) Note: At this point we are introducing the idea of measures, metrics, and key performance indicators. (The idea of key performance indicators (KPIs) was introduced by Daniel Rowley et al.)
     c) Note: The individual essential task area committees will probably conduct research such as telephone or mail surveys, interviews, or focus groups.
7. The strategic planning coordinating/steering committee or essential task area committee might also commission a series of studies such as:
   - environmental audit including a review of major demographic, economic, and job trends.
   - competitive positioning study.
   - potential strategic liaisons (sometimes called a collaborator review).
     a) Note: Because these commissioned studies are done simultaneously with the work of the individual task areas, they should not appreciably lengthen this portion of the planning process.
8. Data from the commissioned studies (see Step 7) is distributed to the relevant essential task area committees.
9. Members of the essential task area teams, using a balloting strategy or some other tool, assemble and prioritize data and information from the essential task areas. These findings are forwarded on to the strategic planning coordinating/steering committee.
10. The strategic planning coordinating/steering committee reviews and prioritizes the individual analyses.
11. Depending on the campus climate and governance style, these findings might also be distributed to the larger campus community for discussion and evaluation.

Working beyond essential task areas

This chapter offers a sense of how to coordinate the individual essential task-area assessments. The coordinating/steering committee should oversee this process by identifying potential collaborators and analyzing the competition.

Identifying collaborators

Collaboration is relatively new to much of higher education. While community colleges, particularly those involved with the League of Innovation, have a long history of collaborating with external for-profits, agencies, and organizations,

many four-year colleges and universities, particularly the smaller privates, may find this to be a new experience.

Essentially a collaboration is a joining of forces. Collaborations include working with private or publicly held companies, government agencies, or even competitors.

Some colleges and universities link up with start-up companies in which the institution either retains an equity stake or outright ownership. And finally, we have colleges and universities operating new, for-profit ventures, often tied to distance learning. Here are some recent examples of these kinds of collaborations:

- Carnegie Mellon's former equity position in Lycos and current position in Cognitive Tutor;
- The 25 or more start-ups at the University of Washington-Bothell;
- Columbia University's for-profit distance learning company, Morningside Ventures; and
- The University of Washington licensing CD-based software tutorials such as Microscopy Tutor and Urinalysis Tutor.

According to Yves Doz and Gary Hamel, there are many reasons to consider a collaboration. It can help you

- build critical mass quickly;
- stabilize your institution;
- learn quickly about and/or enter an unfamiliar market or activity;
- gain access to resources in a distant geography;
- acquire skillsets or resources valued by an external stakeholder or entity.

Outcomes of a successful collaboration

In general, there are four outcomes of a successful collaboration. While few collaborations generate all four, the best collaborations create multiple outcomes.

One of the most important reasons to enter into a collaboration with an outside entity is because of the revenue it might generate. Some of the most successful e-start-ups were possible because of a collaboration with a college or university and smart institutions retained an equity position in those start-ups.

Another reason to link with an outside organization is to increase the quality of your institution's teaching/learning experience. While collaborations may not always increase your cash flow, they can dramatically enrich the range of opportunities for your students. Messiah College's decision to enter into the annual solar car competition is an example of a great collaboration that has paid multiple benefits to its students. In this case, the students were afforded a wonderful learning experience and the school's reputation benefited.

The public good is a third reason. Many colleges and universities are collaborating closely with school systems around the country seeking to enhance their teaching-learning environments. For instance, the long-term relationship that Baylor University has with Habitat for Humanity has done a world of good for students, the university, and the community.

For additional information on collaboration, consider subscribing to *University Business* magazine. I would also encourage you to contact the League of Innovation. (*UniversityBusiness.com* and *LeagueofInnovation.org*.)

Analyzing the competition

Colleges and universities compete for these critical resources:

- Students,
- Talented faculty and staff,
- Donated dollars,
- Public attention and support,
- Media attention, and
- Legislative support.

Particularly in a declining market, it is imperative to define your competitors and then analyze how to better compete against them. Keep in mind your institution will not compete with all institutions for every resource. For example, Wright State University does not compete with the University of Dayton for students. It does, however, compete with the University of Dayton for donated dollars and public attention.

One element of your institution might be competing with another for a critical resource. For example, at one large public institution in the West, there is tremendous internal competition for talented administrators. The school of business generated a lot of ill will when it systematically stripped the other departments at that university of their best administrators. Different elements at the same institution may also compete for media attention. For example, the media office may find itself competing with the sports information office for play in the local press.

Colleges and universities also often compete with entities outside of higher education. For example, a rural community college near Houston has a very difficult time competing against the armed services recruiters for technically oriented prospective students. Another institution in Atlanta found itself competing with a very aggressive and well-regarded local art museum for donated dollars.

Competing for students

Writing in *Wise Moves in Hard Times,* David Leslie and E. K. Fretwell identified three components to competition: quality, content, and price. Quality has to do with value. Price and other factors being roughly equal, a student considering two colleges will choose the institution that he or she perceives to offer the highest value. Quality is ephemeral, of course, especially in the minds of seventeen-year-old high school seniors. It may refer to better job prospects upon graduation, more National Academy of Sciences members on the faculty, comfortable and pleasant residence halls, a nationally ranked football team, or just friendlier admissions people.

Content refers to the actual program options available to students. A student interested in biomechanical engineering, for instance, is unlikely to attend a college without an engineering school.

Price has become a terribly sensitive issue. It refers to the actual cash outlay a student must make to attend a college or university. Assorted financial aid programs and discounting tuition with awards of all kinds has made "pricing" a college education more like haggling in an Egyptian souk. Not only is there a large gap in price between the public and private sectors, but also, within either sector, a student might find considerable variance in price, too.

Students presumably compare institutions on all three variables and make one overall, simultaneous calculation when they choose a college. There is no way of knowing how students weigh each factor, but it probably depends on the range of institutions they are considering. For example, a student who receives a considerable price break (say, a merit scholarship) to one institution may nevertheless choose an alternate college with a higher price because the first institution's content or quality is not what he or she expected. Another student may be interested only in a highly similar group of institutions, say with strong journalism programs, and will choose the one that offers the largest price break (a financial aid package, for example).

Leslie and Fretwell assert that it is at this point that competition comes into play. Why and to whom does an institution lose its better applicants? Is another institution moving in on a particular content area—the arts, for example? Or is a competitor targeting its price breaks to a certain type and quality of student? Are more students now going to institutions previously perceived as equal or lower in quality? How much is image and how much is substance?

Variables to consider when competing for students

When competing for prospective students with local, regional, and even national competitor institutions, identify the top six competitors based on overlap data obtained from the admissions office. After constructing a short list, develop a competitive profile for each institution that include these factors:

- Cost before financial aid;
- Cost after financial aid;
- Image and perception of institution held by prospective students, parents, and high school influencers;
- Test scores of first-year students;
- Range of programs;
- Top five academic programs;
- Special resources and facilities; and
- Job placement record.

Of course, a similar matrix is necessary for your institution to see how it compares with the competition. Updated annually, this information is used to develop and refine strategies to effectively compete against these institutions.

Competitive analysis grid

Try creating a competitive analysis grid that identifies major competitors, outlines strategies to compete more effectively against them, and outlines who will be responsible for overseeing that strategy. (See Table 9-1.)

Clarifying planning assumptions

During the course of undertaking a situational analysis or as part of its conclusion, you will need to prepare a series of planning assumptions. These assumptions might include anticipated budget increases, population trends, or insights into the job market. In large sense, these planning assumptions help establish reasonable boundaries for the remainder of the planning process.

A series of planning assumptions from the strategic plan developed by the College of William and Mary follows. Examples of planning assumptions for two other universities are found in Appendix G.

Planning assumptions for William and Mary:

- William and Mary will remain a small public university with undergraduate, graduate and professional programs designed to preserve, transmit, and expand knowledge.
- William and Mary will blend the best features of an undergraduate college with those of a research university by continuing its tradition of excellence in undergraduate educa-

tion and in selected graduate and professional programs.
- William and Mary will maintain the scale necessary for close personal learning experiences.
- William and Mary will foster integration of its instructional, research, and service programs.
- William and Mary's undergraduate program will emphasize a broad liberal education for its students.
- William and Mary's undergraduate program will remain predominantly residential.
- William and Mary will foster intellectual and cultural diversity in an environment that enhances individual growth and development.
- William and Mary, recognizing its special responsibility to the citizens of Virginia, will serve as a resource to the local, state, national, and global communities and enhance its own programs by interactions with these communities.
- William and Mary will seek and allocate resources in a manner consistent with its commitment to quality and national and international stature in selected programs.

(*www.wm.edu*)

Two approaches to the situational analysis

There are two methods to a situational analysis. The first is the well-known SWOT, in which a college or university orders its universe into four broad categories: strengths, weaknesses, opportunities, and threats.

The second approach is a variation on the first. Instead of four categories, information and trends are ordered into problems and opportunities (PO).

The next few pages will explore both of these methods.

The SWOT

Robert Smith of Slippery Rock University defines SWOT:

Strengths: Comparative advantages over competitors; something on which you can capitalize. Here are a few examples:
- Solid financial foundation,
- Reputation for outstanding teaching,
- Stable or growing endowment, or
- High placement rate for graduates.

Weaknesses: Problems, deficiencies, shortcomings, or flaws that detract from the institution's desired position. Weaknesses often consume resources that are better used elsewhere. Here are a few examples:
- Outdated management information systems,
- Poor leadership,
- Board members who do not understand their role in fund raising, or
- Science building badly in need of replacement.

Opportunities: An attractive, sometimes fleeting occurrence or trend where action is likely to produce a positive, competitive advantage. Responding to opportunities can propel the institution forward. Here are a few examples:
- A new employer with educational needs moves into the area,
- A national report lists the institution among the most tech-savvy in the country, or
- A campus study reveals a strong and growing demand for graduate education courses among local school systems.

Threat: An unfavorable trend or specific event that would lead to stagnation, decline, or demise of the institution or one of its programs. Here are a few examples:
- Decline in the number of area high school graduates,
- Collapse of a major employer of the institution's graduates, or
- Erosion of tax base used to fund education in the state.

Suggestions to guide your situational analysis

Remember the following when conceptualizing and organizing your strengths, weaknesses, opportunities, and threats:
- Strengths and weaknesses are usually internal/institutional, whereas opportunities and threats are generally external/environmental.
- Something can be both a strength and a weakness or an opportunity and a threat. For example, to some, the location of an urban-based college, because of its proximity to jobs, cultural events, and entertainment, is a strength. To others with concerns about safety and crime, the location becomes a weakness.
- Different audiences may place the same characteristic in different categories. Students, for example, may consider strong campus life a strength while parents, concerned about time away from studies or the influence of a party school, consider it a weakness.
- Not everyone on the team has to agree that something is a strength, weakness, opportunity, or threat before it can be added to the SWOT grid. It is more important to have a comprehensive list than a unanimous one.
- Colleges and universities often approach a SWOT analysis with a tremendous amount of denial. Senior

Table 9-1
Competitive Analysis Grid

Strategic Resource	Major Competitor(s)	To Compete More Effectively We Must	Who Will Provide Oversight for Strategy
Prospective students (by category/cohort)			
Faculty			
Staff			
Donated dollars (list by specific type)			
Public and support			
Media attention			
Legislative support			

administrators and faculty who are often removed from day-to-day realities are especially guilty of looking at threats and weaknesses through rose-colored glasses.

Sample SWOT

The following SWOT is taken from a private liberal arts college in the Northeast.

Strengths

- The will to change, energy, momentum, leadership.
- Strong faculty and strong academic programs; international program, etc.
- Beautiful, well-kept campus.
- Friendly community.
- High degree of faculty/student interaction.
- New buildings.
- Positive involvement of faculty in governance.
- Strong loyalty to the college.
- Willingness to sacrifice and engage interdisciplinary programs.
- Great food.
- Support and encouragement for creativity and innovation by students and faculty.
- Tradition and history.
- Collegiality.
- We CAN move quickly.
- Close community in location, many faculty live within a few blocks of campus.
- Amount of student/faculty research.
- Support for faculty research and development.
- Fringe benefits.
- Untapped alumni resources.
- Work ethic and loyalty of staff.
- Great students.
- Low deferred maintenance.

Weaknesses

- Perception by alums that we don't need money.
- Reserves are limited.
- Deficit budgets.
- 80 percent of freshmen on aid.
- 52 percent discount rate.
- Debt maxed out.
- Bond rating downgraded.
- Relatively low endowment.
- Endowment growth largely market-driven.
- Losing ground with salaries.
- Not competitive in some highly market-responsive disciplines.
- Homogeneous students, faculty, and staff.
- Varied motivation among students.
- Student apathy; no school spirit.
- Lack of network—connection with the extended community (alumni parents, friends of the college).
- No clear definition of the greater whole; consensus on identity lacking.
- Internal perception that we are better than our reputation; word not getting out.
- Better tracking of students needed.
- Data often lacking.
- Lack of follow-through, benchmarks, and assessment.
- Lack of intellectual intensity, debate.
- Too little prioritizing and difficulty saying "no."
- Money needed for facilities.

- "Two cultures" problem; lack of dialogue between sciences and others.
- Excessive "busy-ness."
- Too many meetings, inefficiencies, replication of committees.
- Afraid of failure and hence inability to make decisions.
- Stagnation in staff professional development.

Opportunities

- Number of high school grads will increase until 2008.
- Strong economy (benefits us and students' families; grads get jobs).
- We're moving faster and more creatively and taking more risks than our competition. (Are we?)
- Increased globalization fits with our strengths.
- Foreign educational systems are changing so that they're more compatible with ours.
- Increased pool of foreign students.
- High expectations from community that we not be isolationist.
- Abundant pool of highly qualified faculty.
- High demand for the types of grads we can produce; movement from manufacturing to information/knowledge-based economy.
- Technical innovation offers big opportunities.
- Rapid change.
- Knowledge is increasingly less discipline-based.
- Geographical opportunities (access to culture, etc.).
- Lack of solid ground (sense of community) outside makes our type of living/learning community valuable.
- Collaborative learning is necessary in workplace; team-building leadership is in demand.
- Growth of Internet allows easy communication and access; vast resources.
- External pressures (especially economic) push us to be revolutionary and to find new ways of thinking.

Threats

- Intelligent use of technology is necessary for success—we must train and prepare our students. We're not perceived as providing this; the costs of technology are enormous.
- Total lack of appreciation for the liberal arts.
- Willingness to pay is decreasing; demands and expectations are increasing (sense of entitlement).
- Desire for "credentials."
- Desire for prestige and reputation.
- Competitors are increasing (state "honors" colleges, distance learning, etc.).
- Culture of alcohol. (What is our culture? What expectations do students bring to us? The 21 year age limit for drinking.)
- Litigious society.
- Increased government regulation.
- Expectation of abundant merit aid and need-based aid.
- We don't reflect America (the most dynamic demographic growth does not match our geography and core constituency).
- Information overload, market saturation.
- Location (too many similar competitors, hard to attract diverse student body).
- Alums who have no tradition of giving.
- Increased competition for philanthropic giving.
- Shrinking government resources.

The PO

The problem and opportunity analysis is an alternative to the traditional SWOT. Problems are those things, both internal and external, that threaten the institution. Opportunities, on the other hand, are those internal and external things which offer advantage or resources for the institution.

A PO analysis is generally more straightforward, usually takes less time to complete, and because it "forces" committee members to place variables into only two categories, it helps colleges and universities focus on the immediate and important.

Sample PO

Centre College used a slightly different variation on the standard PO and identified challenges and opportunities:

Challenges (problems):

- Demography,
- Higher education as a commodity,
- The demands of information technology, and
- The dual commitment to quality and accessibility.

Opportunities:

- Demography,
- The liberal arts and sciences experience,
- The "Centre" experience, and
- Centre's reputation.

Focusing on the challenges

A regional public in the Midwest took an unusual—and somewhat gloomy—approach to its environmental assessment by presenting only the marketplace challenges it needed to respond to:

- Increasing pace of change;

- Rising cost and fierce competition for resources;
- Social pressure on the access issue;
- Increasing demands for transnational and transcultural education; and
- Divisiveness, a lack of respect for others, and a demise of the art of compromise.

Strategies for gathering data

In order to focus on strengths, weaknesses, opportunities, and threats, you'll need to gather information. Here are excellent data gathering strategies:

- Holding in-depth interviews with key constituents;
- Conducting focus-group interviews with stakeholders;
- Putting broad questions on the campus electronic bulletin board;
- Sending individual surveys to faculty, staff, administrators, and students;
- Putting a survey instrument in the campus newspaper and/or alumni magazine;
- Sponsoring campus-wide forums and discussions; and
- Sending individual questionnaires to key administrators and faculty chairs.

Sources of data to assist you with the situational analysis might include these:

- Local, regional, and even national data from relevant government agencies;
- The Web;
- Peer institutions;
- Consortiums and professional associations such as:
  - The Council for Advancement and Support of Education;
  - American Association of Collegiate Registrars and Admissions Officers;
  - American College Testing Program;
  - Council of Independent Colleges;
  - American Council on Education;
  - National Association of Independent Colleges and Universities;
  - Association of Governing Boards of Colleges and Universities;
  - National Association of College and University Business Officers; and
  - The National Center for Higher Education Management Systems.
- Associations of like-institutions such as the Associated Colleges of the Midwest or the Council for Christian Colleges and Universities; and
- Ongoing, longitudinal research.

RECOGNIZING STAKEHOLDER INTERESTS

The absence of performance information is a significant problem for college and university stakeholders. If it is not provided, stakeholders will judge the worth of an organization by how well it does against the criteria they wish to use. For external stakeholders in particular, these criteria typically relate to performance. Ironically, colleges routinely evaluate their largest group of stakeholders (students) against specific criteria—grades. However, these same colleges and universities seem reluctant to be evaluated by others.

Over the long run, if a college or university is unable to measure up to stakeholder-held criteria, stakeholders may withdraw their support and turn their attention—and their resources—elsewhere. For example, institutions that are unable or refuse to deal effectively with high tuition, are seeing students seeking lower cost providers. Adult commuter students who are not accommodated at a residential institution will seek an institution that responds to their needs.

The significant reality is this: whether or not colleges and universities want to admit it, stakeholders do evaluate them using specific criteria. Institution that ignore this reality are profoundly arrogant.

--Daniel Rowley et al in *Strategic Change in Colleges and Universities* (Jossey-Bass Publishers, 1997).

Note: A more complete list of consortiums and professional associations may be found in Appendix C.

Mount Holyoke

As part of its planning process, Mount Holyoke College issued invitations for two-page papers from faculty, alumnae, students, parents, and staff about the college's educational mission and priorities. Specific questions were developed for each constituency. For example, the letter to students asked the following questions:

- What drew you to Mount Holyoke?
- Why did you decide to apply?
- Why did you choose to enroll?
- What do you see as the core values of the college?
- How do you believe Mount Holyoke to be distinctive from other premier liberal arts colleges and from other women's colleges?
- Building from these core values and distinctive attributes, what ideas do you feel the college community should consider as we plan for the future?
- What do you see at the strengths and weaknesses of the college?
- If you had to write a one paragraph statement of the college's mission, what would it be?

Five-page papers were also solicited from key committees on specific topics. Some of the committees and their reports are outlined below:

- Academic Policy Committee on Curricular Aspirations.
- College Librarian and Director of Library and Information Technology Services and Senior Information Technology Planner on Technology.
- Committee on Admissions and Financial Aid on Admissions and Financial Aid.
- Committee on College Life and Advising on College Life and the Educational Experience.
- Committee on the Multiracial Community on Diversity and Inclusiveness.
- Dean of Administration and Business Manager, Assistant to the President, and Special Assistant to the President/ Affirmative Action Office on Community Relations.
- Dean of Administration and Business Manager on Facilities and Capital Projects.
- Dean of the College on Student Services.
- Dean of the Faculty and Provost on Faculty Resources and Faculty Development.
- Director of Communications on Communications and Marketing.
- Director of Development on Fund Raising.
- Executive Director of the Alumnae Associations on Alumnae Association/College Coordination.
- Faculty Conference Committee on Governance.

Preserving the integrity of the situational analysis

Before the strategic planning coordinating/steering committee and the essential task area committees move ahead with the situational analysis, it is important to commit to a basic set of principles, guidelines, and rules to structure the process:

- The team members are conduits, not filters. It is their job to collect all data whether they agree with it or not.
- The team should avoid using suspect, tainted, or anonymous data. All data sources must be cited.
- Great care must be taken to separate institutional myth and hype from marketing reality.
- As much as possible, data should be quantitative.
- The analysis should be as inclusive as possible.
- You should disregard anonymous, unsolicited data and information; it is almost always suspect.

Make a decision on market research

The situational analysis will often lead to a realization that not enough is known about a particular issue. Perhaps the institution has never examined unmet educational need in its service area. Maybe no one has undertaken a systematic evaluation of the curriculum.

At this point decide whether or not to undertake formal market research. This can be a tough decision because while good data provides extraordinarily valuable insights, it also requires time and money.

Generally undertake market research if you

- need perspective,
- work in a politically charged environment,
- need data to help you make major or difficult decisions,
- plan to spend significant dollars over a number of years implementing your strategic plan, or
- politically simply cannot afford to be wrong.

Two CASE books, *Integrated Marketing for Colleges, Universities, and Schools: A Step-by-Step Planning Guide* and *Integrated Marketing Communication: A Practical Guide to Developing Comprehensive Communication Strategies*, are excellent resources on research.

Political realities

As part of SWOT analysis, the strategic planning coordinating/steering committee and the essential task area committees must gauge how candid they can be when conducting these assessments. Some campus climates can tolerate more honesty than others.

Let me give you two examples of climates not conducive to open analysis. I was helping a small college in Kansas work through a SWOT analysis. The planning team was using a large whiteboard in the administrative suite next to the president's office. The team was very reluctant to write anything critical or controversial on the board because they feared the president would pop in at any minute.

At another campus, after reading the final SWOT to the president, he looked over the list of weaknesses, he looked up, and chided the planning team for failing to put administrative leadership down as a weaknesses. "If we had good leadership," he said, "we wouldn't be in this mess."

Ballots, please

At the conclusion of the data-gathering stage of a situational analysis, your list of strengths, weaknesses, opportunities, and threats (or problems and opportunities) is likely to be long and cumbersome. And, chances are, you do not have the institutional resources to address every

item on your list. To solve this problem, use the SWOT list as a ballot and let team members vote on which items are most important. This balloting process, explained in greater detail in Chapter 5, sets priorities, allows a final group evaluation, and because the voting is done in secret, protects individuals from group dynamics and pressure.

The SWOT is then retabulated on the basis of the votes. This new, prioritized list reflects the strengths, weaknesses, opportunities, and threats of most significance to the planning team. A prioritized SWOT may look like Table 9-2.

The importance of performance data

If there is one aspect of strategic planning that antagonizes stakeholders the most, it is the gathering of performance data for measuring the effectiveness of key institutional activities and processes. Performance data is not new to higher education, but neither is it particularly well received. Of course, the effectiveness of all, or even most activities and processes cannot be measured, but more can be quantified than many stakeholders would like to admit.

Of course, some processes and activities are easier to measure than others. Consider, for example, the following measures that should be readily available on all campuses:

- Cost to recruit a student.
- Size of the enrolling class.
- Average test scores.
- Percent of new students who graduated in top 10 percent of their high school class.
- Average amount spent on financial aid.
- Average loan package of new students.
- Net tuition revenue.

If you can quantify these factors, you can measure recruiting success.

Indicators as measures, indicators as goals

The purpose of indicators or measures is to assess where you are and to establish a future goal. Using the recruiting metrics above, for example, an institution could determine that the net tuition revenue for the first-year students was $43.2 million. The strategic planning goal might be to increase first-year tuition revenue to $48.5 million. In the same manner, other essential task areas can be isolated to gauge current performance or status, and then projected as goals to give direction to the strategic plan.

Leading strategic indicators

In 1996, Barbara Taylor and William Massey published an extremely useful book called *Strategic Indicators for Higher Education*, in which they presented 10 barometers of institutional stability and a series of norms or ranges for public and private institutions. The barometers include these:

- Revenue structure,
- Expenditure structure,
- Excess (deficit) of current fund revenues over current fund expenditures,
- Percent of freshman applicants accepted and percent of accepted applicants who matriculate,
- Ratio of full-time-equivalent students to full-time equivalent faculty,
- Institutional scholarship and fellowship expenditures as a percent of total tuition and fee income,
- Tenure status of full-time equivalent faculty,
- Percent of total full-time equivalent employees who are faculty,
- Estimated maintenance backlog as a percentage of total replacement value of plant, and
- Percent of living alumni who have given at any time in the past five years.

These are not the only performance indicators worth considering, or even the most important ones, but they do offer a useful array that you can begin to customize for your institution. Also, much of the data are easily convertible to cost and revenue measures. And, the normative aspect of the data is a useful benchmarking tool.

Dickinson College

As Dickinson College refined its strategies, it sought to provide meaningful performance indicators by asking

THE ELEPHANT IN THE ROOM

A number of years ago, Doyle Dane Bernbach did a fascinating television commercial about alcoholism awareness. In the commercial, there was an elephant in the house, but everyone in the family acted as if it was not there. The children played around the elephant's trunk. The mother vacuumed around the legs and so forth. The idea was that alcoholism in a family is like an elephant in the room—everybody knows its there, but they all pretend it doesn't exist.

On numerous occasions I have been involved in planning projects whose members don't want to recognize the elephant. These colleges and universities avoided very real and potentially destructive issues. Now I open planning sessions by asking, "Are any elephants in the room?" Experience has shown that a public acknowledgment of a problem goes a long way toward solving it.

Table 9-2
Prioritized SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Faculty credentials and emphasis on teaching	High cost vs. perceived value	Improve retention	Declining annual fund participation
Location	Low endowment	Improve alumni involvement in recruiting and fund raising	Stalled capital campaign
Commitment to customer service	Campus climate: anger and apathy	Transfer market	Increased competition from publics and privates for prospective students
Many credible alumni	Little institutional image, especially in emerging recruiting markets	Adult market	Tuition gap between publics and privates
Facilities	Meager fund-raising ability		Private-college competition with more name recognition and financial aid

planners to keep in mind the following:

- What is the expected result of the strategy?
- What benchmark indicators (internal and external) can be used to evaluate progress and at what point in the strategy should they be applied?
- If the objective is not going to be achieved, what must be done to adjust the strategy, and when?
- Specify an evaluation mechanism and timetable to assure that progress is monitored (in the aggregate, this will help assure a dynamic plan).

Metrics for each essential task area

There are potentially dozens, if not hundreds, of possible metrics for the essential task areas. Figure 9-3 on page 117 presents a few, but is by no means exhaustive or prescriptive. When assembling metrics for each task area, also gather performance variables from the same essential task areas at peer institutions. Using cohort data from professional organizations and associations is another way to gather metrics. For example, the Council for Advancement and Support of Education, the National Association of Independent Colleges, and the National Association of Student Personnel Administrators are fountains of information. Each essential task area has at least two or three professional organizations or associations that seek to serve its members. *Gales Encyclopedia of Associations* can help you track down Web sites or phone numbers.

Questions to shape the evaluation of essential task areas

The creation of metrics for each essential task area is an enormously useful tool, but not all task areas, functions, and outcomes, need to have empirical measurements. A series of questions found in Appendix H will help you evaluate qualities and characteristics of task areas for which you have no research.

When reviewing Appendix H, keep in mind that the categories are not mutually exclusive. For example, both the student recruiting and finance and budget task areas are interested in how much tuition revenue is generated. Remember, these lists are designed to guide your thinking and are by no means exhaustive.

However, before you turn to these questions, consider these five fundamental questions for each essential task area.

Five fundamental questions

It is often helpful to begin evaluations of essential task areas by asking members of each essential task area committee the following questions:

1. What missing datasets prevent us from undertaking a sound assessment or evaluation?
2. How might this particular task area be better managed, organized, and funded so it is more efficient and effective?
3. Is this essential task area adequately staffed? Do staff members have opportunity for professional advancement? Is compensation tied to some kind of performance measures?
4. What "best practices" have been established by other institutions, organizations, or associations that we might emulate?
5. Does this essential task area have a separate management plan and how is this plan tied to the existing institutional strategic plan?

Tools for conducting academic assessments

Because academic assessment is the most important component in strategic planning, the following tools make this portion of the situational analysis more effective:

- Determination of distinctive competences,
- Marketing evaluation of your curriculum,
- Product life cycles, and
- Portfolio analysis.

These tools, especially the more sophisticated analytic tools, help you assess your academic programs and processes from a strategic and marketing perspective. They do not stand in place of an accreditation evaluation.

These tools often overlap and may achieve the same purpose through slightly different avenues. While one tool is not more or less affective than others, differing campus climates may make one tool more suitable. All of these tools require solid, consistent data and the courage to apply them.

Analytic tool #1: Determining distinct competencies

The easiest analysis is to determine the distinct competencies that differentiate your organization from other colleges and universities. These competencies might range from academic programs like engineering at MIT, to delivery methods such as Cornell College's One-Course-at-a-Time. These distinctions must exist in the mind of external stakeholders like students and not merely in the minds of internal stakeholders.

Colleges and universities that are certain about their distinctive competencies and work to build on them are more likely to succeed in achieving their mission than institutions that do not. For example, Heritage University has the ability to meet the educational and social needs of Native Americans who live in the Yakima Valley. Heritage is not only an educational resource, but it is also a part of the social and economic fabric of the local geography and the people who live there.

A distinct competency of the University of Phoenix is the delivery of distance education to adult students. A distinct competency of Berea College is combining education with work and service.

Uncovering distinctive competencies

By definition, distinct competencies must be unique. You must be well known—and valued—for being able to do a particular thing well.

To determine distinct competencies ask external stakeholders these questions:

- What characteristics make us unique?
- When you think of us, what words and phrases come to mind?
- How are we different from other (local, regional, national) colleges or universities?
- If we were to go out of business tomorrow, what would you miss most?
- Why have you elected to support us financially in the past?

If different external stakeholders consistently answer these questions in the same fashion, you are beginning to get a handle on your distinct competencies. Some competencies may need to be honed before they become truly distinctive—and valued—by stakeholders.

Analytic tool #2: Marketing evaluation of your curriculum

The purpose of evaluating your curriculum from a marketing perspective is to discover

- which of your academic programs are the most attractive to prospective students,
- what programs do students in your marketplace want, and
- which programs are not mission critical and do not generate adequate revenue to cover their costs.

Because of their very political nature, audits of this type must be data-driven. At the very least, they should include these steps:

- A comparison of your curriculum offerings with those of your competitors;

Figure 9-3
Metrics for Essential Task Areas

Essential Task Area	Possible Metrics
Academic affairs	• Test scores of entering students
	• Percent of faculty with terminal degree
	• Student-faculty ratio
	• Percent of students who are able to attend the graduate school or professional school of their choice
	• Percent of students who are able to obtain a job of their choice
	• Level and quality of faculty research
	• Tuition dollars generated by individual faculty and departments
	• Percentage or number of academic departments that are self-liquidating or generate revenue surpluses
	• Dollars generated by outside grants
	• Number of school-industry internships and co-op opportunities
	• Time, in months, in which it takes to develop and approve a new major
	• Distribution of adjunct, instructor, assistant, associate, and professors
	• Percentage of tenure vs. nontenure faculty
Student recruiting and financial aid	• Size of enrolling class
	• Test scores of entering students
	• Composition of class: gender, ethnicity, geographic diversity, percent full-pay, etc.
	• Tuition dollars generated by enrolling class
	• Cost to recruit a student
	• Tuition discount rate
	• Funnel yield rates
	• Average institution-based financial aid package
	• Faculty support for recruiting effort
Student development/ retention	• First-year to second-year retention rate
	• Three- or five-year graduation rate (depending on size of school)
	• Vitality of student orientation
	• Level of satisfaction with student advising (academic, counseling, career planning and placement)
	• Turnout for student elections
	• Level of participation in on-campus activities and clubs
	• Participation of students in governance and decision making
	• Level of substance abuse and vandalism on campus
	• The number of students that leave campus on the weekends

(continued) next page

Figure 9-3 (continued)
Metrics for Essential Task Areas

Essential Task Area	Possible Metrics
Institutional advancement and alumni relations	• Amount spent to raise a dollar
	• Annual fund participation rate
	• General alumni satisfaction with decision to attend the college or university
	• Turnout at alumni events
	• Attitude of current, former, and perspective donors
	• Relationships with key foundations
	• Success of most recent capital campaign and plans underway for future campaign
	• Percent of alumni with accurate addresses in database
	• Quality of contacts and files of major donors
	• Community involvement in campus events
	• Community participation in giving
	• Trustee participation in giving
Marketing, communications, and image	• Clear identification of five most important target audiences
	• Current image among these target audiences
	• Marketing and communication goals in place
	• Presence of a comprehensive marketing plan
	• Percent of students that indicate you are their "first choice"
	• Cost to recruit a student or raise a dollar
	• Presence of a crisis plan
	• Visibility in community, state, and country
Information technology	• Average amount spent on technology per student
	• Percent of campus that is wired
	• Budget allocation for timely updating primary and secondary hardware and software
	• Quality/credentials of IT team
	• Turnover rate of IT team
	• Turnaround time for dealing with IT problems/issues
	• Record (inventory) of computer infrastructure (i.e., software, hardware, peripherals, networks, etc.)
	• Internal ability to customize software and reports in a timely fashion
	• Degree to which enrollment management, registrar, student affairs, advising, accounts are linked
	• Costs for administrative computing as percentage of overall budget
	• Quality and number of partnerships with other colleges and IT providers

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Figure 9-3 (continued)
Metrics for Essential Task Areas

Essential Task Area	Possible Metrics
Facilities planning	• Currency of facilities (master) plan
	• Dollar amount of deferred maintenance
	• Percentage of facilities that are ADA compliant
	• Average dollar spent on HVAC per major building
	• Percentage of classroom, lab, and residence halls that are wired or cable-ready
	• Computerized classroom scheduling system that ensures facility utilization
	• Preventative maintenance program for facilities
	• Dollar reserves for maintenance
	• Structural assessment of existing facilities
	• Short- and long-term parking plan
Human resources	• Percent of faculty, staff, and administrator turnover per year
	• Competitive level of and flexibility of salary and benefit packages
	• Percentage of employees tied to performance-based compensation program
	• Student wages indexed to tuition increases
	• Level of customer service on campus
	• Commitment to customer service
	• Percent minority employees
	• Number of grievances/law suits filed against the institution
	• Average time spent to fill a major position
Finance and budgeting	• Tuition discount rate
	• Percentage of budget allocated to debt service
	• Size of the endowment
	• Percent of the endowment/appreciation in the endowment allocated to operations
	• Percent of revenue from nontuition sources
	• Size of contingency or discretionary fund
	• Average budget overage over the past 10 years
	• Restricted vs. unrestricted dollars

- A comparison of marketing, pricing, and financial aid strategies;
- A review of short- and long-term job trends in your marketplace;
- A review of overall economic and demographic trends,
- A survey of prospective students to ascertain their academic goals; and
- A review of current enrollment by program, program revenue, program contribution to overhead, and graduation rates.

At the conclusion of this audit your chart will look something like Table 9-3.

Core programs are those programs that are mission critical. While they may not make economic sense, they fulfill a vital part of your mission. For example, core programs at a Baptist college might involve Bible studies or youth ministry.

Growth programs are programs that are under-enrolled but data suggest the marketplace is keenly interested in them. The content is not flawed, but a communication, pricing, or scheduling issue may need to be resolved.

Programs to add are programs the marketplace says it would support but you do not currently offer. These programs are logical extensions of your current program mix. For example, an executive MBA program is a logical extension of a more traditional, residential MBA program.

Programs to evaluate are the most difficult to categorize. These are programs the marketplace is not interested in and that are not mission critical. In most cases, these exist solely for traditional and/or political reasons. At present, they are not viable.

George Keller offers another version of the curriculum evaluation. First used by SUNY-Albany in the mid-70s, the grid has criteria for evaluating each academic program. While some of the phraseology may need tuning, the basic approach is strong. (See Table 9-4.)

The SUNY-Albany tool is useful because it moves beyond just revenue as the key determinant and it offers four dimensions of academic quality. However, to be fair, these dimensions should be updated to include technology. It also looks at such variables as demand for graduates, location advantage, and comparative advantage.

Analytic tool #3: Estimation of product life cycles

A product life cycle evaluates the short- and long-term efficacy of key programs, especially those programs that generate revenue that supports nonrevenue-generating programs. The product life cycle is drawn from business though it has ready application in higher education. The purpose of this tool is to help determine the life stage of academic programs. Typically, products and curriculums move through four stages:

Emergence → Growth → Maturity → Decline

However, not all programs move through these same stages at the same rate. While it can be dangerous to speak in general terms, we know the curriculum on many campuses is clearly skewed toward mature and declining programs. While all campuses should and must have some mature and declining programs, they must also have enough growth programs to off-set lost or declining revenue.

Product Life Cycle Model

The calculation of the life cycle of your academic programs is simple. All you need to do is gather longitudinal revenue and expense data for each course or program and then calculate the trend line.

As you can see in the example in Figure 9-4, revenue from this program has fallen dramatically while the cost of running the program has been slowly inching up. While these data should not be a reason to terminate a program, it should be a catalyst for conducting a very aggressive evaluation.

Analytic tool #4: Analyzing the Portfolio

The fourth analytic tool is the portfolio analysis. The earliest, easiest to use, and most visual of all the portfolio analysis models was created by the Boston Consulting Group (BCG). This paradigm introduced the world to the idea of stars, cash cows, question marks, and dogs. (See Figure 9-5.)

Stars are those products (academic programs) that are

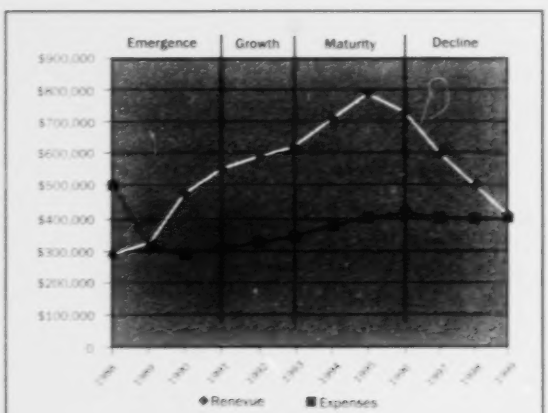

Figure 9-4
Sample Life Cycle of a Single Academic Program

Table 9-3
Concluding the Audit

Core Programs	Growth Programs	Programs to Add	Programs to Evaluate
1.	1.	1.	1.
2.	2.	2.	2.
3.	3.	3.	3.
4.	4.	4.	4.
5.	5.	5.	5.

Table 9-4
SUNY-Albany Tool

	Evaluative Criteria	Rating Categories
Quality	Quality of faculty	Exceptional strong, adequate, weak
	Quality of students	High, medium, low
	Quality of library holdings	Excellent, adequate, insufficient
	Quality of facilities and equipment	Excellent, adequate, insufficient
Need	Centrality of mission	Yes, no
	Present student demand	High, moderate, low
	Projected student demand	Growing, stable, declining
	Demand for graduates	High, medium, low
	Location advantage	Yes, no
	Comparative advantage	Yes, no
Cost	Cost/revenue relationship	Good, adequate, poor
	Other costs and benefits	(Listing)

Source: George Keller, Academic Strategy: The Management Revolution in Higher Education, p. 155. 1983. Copyright The Johns Hopkins University Press. Reprinted with permission of the Johns Hopkins University Press.

doing well and have high potential. Some sample "stars" on many campuses are found in business and information technology.

Cash cows are those programs that are relatively low in potential but are doing well. These programs are fed to sustain their ability to produce milk until they run dry. Current cash cows on many campuses include psychology and education.

Question marks (some examples call this quadrant problem children) are those programs that are not doing well at the present time but have high potential. Some question marks might include graphic design as it transitions from print to electronic/HTML. The goal is to turn question marks into stars.

The final group, *dogs*, are those programs that have low market share and low potential. According to BCG, ailing dogs should be put out of their misery. While I don't recommend that dogs be put out of their misery, I do suggest they should be allowed to die quietly as faculty retire.

Campus-wide "checkoff"

After assembling and prioritizing the final SWOT or PO grids, it is time to validate the overall process and its conclusions. I strongly recommend using current faculty, administration, and staff leadership committees and structures. As

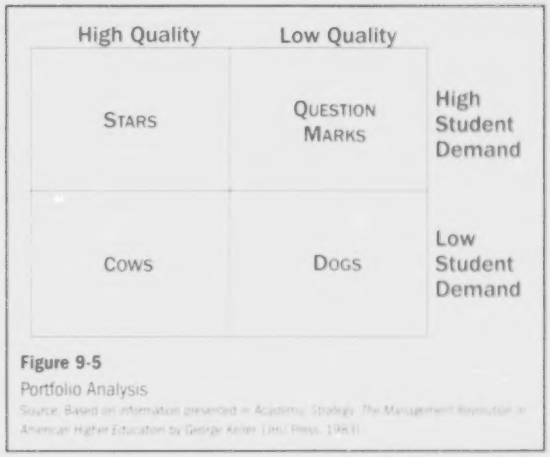

Figure 9-5
Portfolio Analysis
Source: Based on information presented in Academic Strategy: The Management Revolution in American Higher Education by George Keller (Johns Hopkins University Press, 1983).

part of this discussion and presentation, provide an overview of the SWOT/PO methodology, which includes a definition of a situational analysis and individual SWOT/PO components, who and what groups were surveyed, and how the items were assembled and prioritized. The report should emphasize that the situational analysis is the foundation for the strategic plan and if the situational analysis is wrong or incomplete, the plan will also be wrong or incomplete.

It is important to remind these groups that their role is not to approve or disprove the findings. Rather, it is to fine-tune the findings. Often, after reviewing the situational analysis, the president, faculty, staff, and administrative groups will ask for some explanation, further detail, or even supporting data. These are all signs that campus stakeholders are actively involved in the situational analysis and should not be cause for alarm. Of more concern is the president or key on-campus leader who glances at the situational analysis and says, "OK."

A handful of final recommendations

Earlier in this chapter I mentioned a need to strike a balance between a superficial situational analysis and one that is too laborious and exhaustive. John Bryson argues that highly elaborate, lengthy, sophisticated, and overly quantified procedures for internal and external assessment are more likely to drive out strategic thinking than promote it.

One of the best ways to focus the situational analysis is to aggressively prioritize the data and insights obtained by the essential task area committees. A balloting technique that "forces" the coordinating/steering committee to boil the input down to a succinct, manageable number is suggested.

Remember to undertake the external assessment first. Colleges and universities are notorious for "looking in" and "ignoring out." This external assessment, particularly the determination of how stakeholders evaluate the institution on key performance variables may be extraordinarily motivating as the committee members undertake the internal assessment.

Next, don't think that the situational assessment should only be done as part of a strategic planning process. Shrewd institutions and the shrewd administrators who lead them recognize the value of a regular assessment as a basic boundary-spanning protocol. While these intermediate assessments need not be as elaborate as the assessment conducted for a strategic plan, they should still be rigorous and timely.

And finally, manage expectations about the situational analysis carefully. This is especially true when reviewing the completed analysis with key campus groups and leaders, especially faculty. If these groups, or their representatives, were involved in the analysis, then things will likely be OK. However, if these groups were not involved in the analysis and are asked for their input at the end, they will likely cry foul.

Additional reading

A number of resources can help you with your situational analysis. If you are interested in using research to support the situational analysis, take a look at Chapter 4 in CASE's first book in the integrated marketing series, *Integrated Marketing for Colleges, Universities, and Schools*. You might also read Marvin Peterson, David Dill, and Lisa Mets' *Planning and Management for a Changing Environment*. Chapter 6 of Henry Mintzberg's *The Rise and Fall of Strategic Planning* is also useful. Yves Doz and Gary Hamel's *Alliance Advantage* is an excellent resource as you consider possible collaborations and strategic liaisons. Mitchell Marks and Philip Mirvis' *Joining Forces* is also worth reading.

CHAPTER 10

Identifying Strategic Issues

"When you come to a fork in the road, take it."

— Yogi Berra
Baseball Hall of Famer

The last few chapters have come a long way toward explaining the complex strategic planning process. This chapter, however, will be a bit of a reprieve because it will discuss how to identify strategic issues and explain why this is a necessary intermediate step before the finalization of strategies and action plans.

What are strategic issues?

As the previous chapter has shown, a strategic issue is a strength, weakness, opportunity, or threat—or problem or opportunity—that has or will have the potential to have a significant impact on the institution or its stakeholders. A college president in the West defines strategic issues more personally. She says strategic issue are something we need to respond to, something we can't ignore. Some sample strategic issues might include these:

- Declining enrollment,
- A burgeoning tuition discount rate,
- A new competitor that undercuts your tuition,
- A disaffected alumni group,
- A physical plant that is falling apart, and
- A declining endowment.

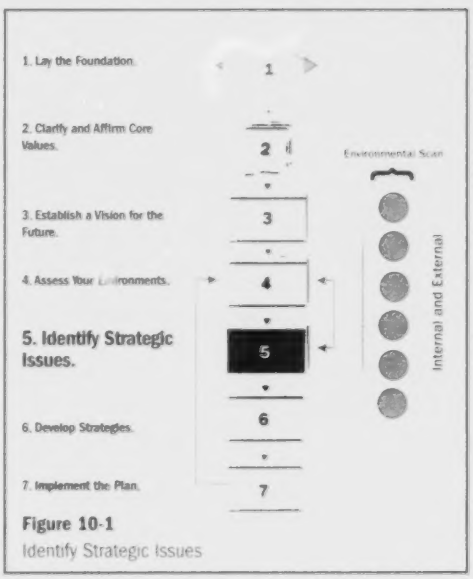

Figure 10-1
Identify Strategic Issues

Benefits of identifying strategic issues

According to Bryson, in *Strategic Planning for Public and Nonprofit Organizations*, identifying strategic issues is important because it directs attention at what is truly important. If there were no other ben-

efits to the identification of strategic issues, this one benefit would likely justify the time it takes.

Philip Gilbertson of the University of the Pacific believes that in these tumultuous times in higher education, if an institution and its stakeholders cannot set priorities, it will struggle to advance. If a strategic planning process does not result in the setting of institutional priorities, the process will flounder, and the institution will consume valuable energies trying to combat atrophy.

This step in the planning process focuses on issues and not answers. Identifying strategic issues helps control the temptation to rush for answers. Groups who do not take the time to clarify issues typically waste time in sessions that result in power struggles, not problem-solving.

The identification of strategic issues creates the kind of useful tension necessary to prompt organizational change. Organizations rarely change unless some pressure or tension initiates it. The tension must be great enough to prompt change, but not so great as to induce paralysis. Strategic issues that emerge from the juxtaposition of internal and external factors—and that involve organizational survival, prosperity, and effectiveness—can provide just the kind of tension that will focus the attention of key decision makers on the need for change. They will be particularly attentive to strategic issues that entail severe consequences if they are not addressed.

Strategic issue identification should provide useful clues about how to resolve the issue. By stating exactly what it is about an issue that makes it strategic, institutions gain insight into ways that the issue might be resolved. Follow the dictum that says an effective strategy will take advantage of strengths and opportunities and minimize or overcome weaknesses and threats, and you are well on your way to effective solutions.

If the strategic planning process has not been "real" to participants up until this point, it will become real for them now. As the organization's situation and the issues it faces become clear, as the consequences of failure to face those issues are discussed, and as the behavioral changes necessary to deal with the issues begin to emerge, the strategic planning process will begin to seem less academic and more meaningful.

A further consequence of this realization is that key decision makers may wish to terminate the effort at this point. They may be afraid of addressing the conflicts embodied in the strategic issues. They may not wish to undergo the changes needed to resolve the issues. A crisis of trust or a test of courage may occur, and lead to a turning point in the organization's character. If, at the completion of this step, the organization's key decision makers decide to push on, a final very important benefit will have been gained: the organization's character will be strengthened. Just as an individual's character is formed by the way he or she faces obstacles, so too is organizational character formed by the way an organization faces difficulties.

Types of strategic issues

For the most part, strategic issues fall into one of three categories:

- Near-term issues that must be dealt with immediately,
- Mid-term and longer-term issues that are well defined but can be delayed, and
- Issues that are unclear and must be monitored because their impact on the organization is suspected but the exact ramifications are unknown.

These three categories of strategic issues fit naturally into a five-year strategic planning calendar that establishes near-, mid-, and long-term strategic goals.

Identifying strategic issues

John Bryson rightly notes that the identification of strategic issues is one of the most riveting aspects of strategic planning as the process moves from the nebulous and theoretical and begins to take on the hard edge of strategy. He says,

> Virtually every strategic issue involves conflicts: what will be done, why it will be done, how it will be done, when it will be done, where it will be done, who will do it, and who will be advantaged or disadvantaged by it. These conflicts may draw people together or pull them apart, but in either case participants will feel heightened emotion and concern.

Accordingly, there are three approaches to the identification of strategic issues:

- The direct approach,
- The goals approach, and
- The "vision of success" approach.

We will also look at another, the best practices approach. (See sidebar on page 126.)

The direct approach moves organizations directly from a review of mandates, mission, and the situational analysis to the identification of strategic issues. The direct approach is best if

- there is no agreement on goals, goals have not yet been established, or the goals on which there is agreement are too abstract to be useful;

- there is no preexisting vision of success, and developing a consensual vision will be difficult;
- there is no hierarchical authority that can impose goals on the other stakeholders; or
- the environment is so turbulent that development of goals or visions seems unwise, and partial actions in response to immediate, important issues seem most appropriate.

The direct approach, in other words, can work in the sometimes politicized and relatively fragmented worlds of colleges and universities as long as there is a "dominant coalition" strong enough and interested enough to make it work. There must be a coalition committed to identifying and resolving at least some of the key strategic issues.

In the goals approach—more in keeping with traditional planning theory—an organization establishes goals and objectives and then identifies issues or develops strategies to achieve those goals and objectives. For the goals approach to work, fairly broad and deep agreement on the organization's goals and objectives must be possible, and the goals and objectives themselves must be specific and detailed enough to provide useful guidance in the development of strategies. This approach also is more likely to work in organizations that are hierarchically organized, pursue narrowly defined missions, and have few powerful stakeholders. In general, colleges and universities do not fit this profile.

Finally, in the "vision of success" approach, the organization is asked to develop a "best" picture of itself in the future as it fulfills its mission and achieves success. The strategic issues then involve how the organization should move from the way it is now to how it would look and behave based on its vision of success. This approach is most useful if it will be difficult to identify strategic issues directly, if no preexisting goals and objectives exist and will be difficult to develop, and if drastic change is likely to be necessary.

This chapter uses the direct approach for the identification of strategic issues, though it recognizes the importance and influence of the goals approach.

The direct approach

The direct approach to strategic issue identification begins at the essential task area during which committee members begin exploring the following questions:

- What is the issue?
- What factors (mandates, mission, external, and internal) make it strategic?
- What would happen if this issue was ignored or dealing with it was delayed?
- Do we have the resources (time, money, and experience) to deal with the issue now?
- Does the issue impact more than our essential task area?
- Can the issue be resolved in our essential task area or is it of larger institutional concern?
- Is there an issue that must be dealt with before this issue can be resolved?
- Do we have data or perspective on how other colleges and universities have dealt with this issue?

Individuals in the essential task areas should spend a week or two answering the questions outlined above. In some cases, it is helpful to have individuals address the issues themselves before working together as a group.

Borrowing a lesson from Steven Covey

A number of years ago Steven Covey wrote the *Seven Habits of Highly Successful People*. Though directed at individuals, many of his habits can also be useful for organizations. One habit he stressed is the need to focus on circles of influence and to not be overly distracted by circles of concern.

A circle of influence is a category of strategic issues and events that you can, to some degree, influence or manipulate. For example, it is likely—through planning and the application of resources—that your college or university can attract more students or undertake a capital campaign.

The second circle, the circle of concern, contains those things that you really can't do much about. While you can attract more students; you cannot necessarily increase birth rates.

It is important when listing and prioritizing strategic issues that you focus on things that you can actually influence. It is very debilitating to outline a series of strategic issues over which you have little, if any, individual or institutional control.

The pay-off matrix

When reviewing the range of possible strategic issues, it is easy to get lost in the minutiae. One way to focus on issues that are truly significant is to organize them via a basic pay-off matrix. The matrix depicted in Figure 10-2 is adapted from the book *The Dance of Change* by Peter Senge et al. It is organized into four quadrants:

- Quadrant 1: Those things with high impact that are easy to accomplish;
- Quadrant 2: Those things with high impact that are difficult to accomplish;

- Quadrant 3: Those things with low impact that are easy to accomplish; and
- Quadrant 4: Those things with low impact that are difficult to accomplish.

In most cases, it is best for the college or university to focus on as many Quadrant 1 and as few Quadrant 4 issues as possible. Of course, you should not purposefully avoid Quadrant 4 issues if they are truly driven by your mandates, mission, and situational analysis. At the same time, because early "wins" in the strategic plan are critical, identify some issues that will generate some short-term wins.

Sequencing strategic issues

Once strategic issues have been identified, they should be sequenced. The balloting strategy presented earlier in this book is one good option. Keep in mind that some issues can be placed in either logical or temporal order. For example, dealing with an out-dated science building is necessary before directing resources toward recruiting additional science students. Establishing a reasonable order among strategic issues allows key decision makers to focus on them one at a time.

Generally, the overall list of strategic issues will reflect prioritized issues (we need to do this now); logical issues (this must be done before we can do that); and temporal issues (this is more near-term, that other one can wait a bit).

The role of the coordinating/steering committee

The coordinating/steering committee plays a number of important roles at this stage in the planning process. First, it should review all the strategic issues identified by the essential task area committees, not just the prioritized list advanced by the individual committees. Second, the coordinating/steering committee negotiates between different task areas to make sure that all strategic issues are addressed. And third, the coordinating/steering committee prioritizes the final list of strategic issues that are presented to the campus.

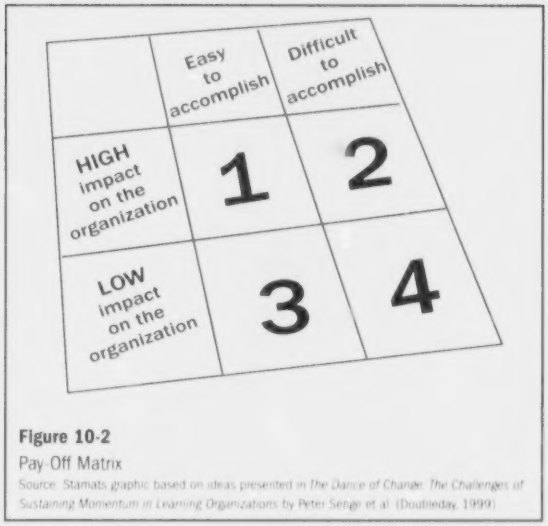

Figure 10-2
Pay-Off Matrix
Source: Stamats graphic based on ideas presented in *The Dance of Change: The Challenges of Sustaining Momentum in Learning Organizations* by Peter Senge et al. (Doubleday, 1999)

The need to clarify, reiterate, and rethink

Almost everyone who has been involved in the development of the list of strategic issues knows that this is a highly iterative process. As this process goes on, there is a constant need to remind people to address the truly strategic, to think institution-wide, to keep the mission and vision in mind, and to think of securing the future, not merely affirming the past.

As the coordinating/steering committee evaluates possible issues, its members should ask themselves these questions:

- What is the core issue?
- Why it is important to address this issue now?
- Is the issue central to our mandates, mission, and vision?
- Did the issue emerge from our situational analysis?
- Who says it is an issue?
- What stakeholders will be affected by it?
- What happens if we ignore it?
- What resources will it take to address it?
- Will this issue consume a disproportionate share of resources?

THE BEST PRACTICES APPROACH

Somewhere between the completion of the situational analysis and the identification of strategic issues, take a look at the best practices of competing, cohort, and aspirational colleges and universities. By "borrowing" these best practices, you can save yourself a great deal of time and money.

As part of the strategic planning process at the University of Montana, the members of the task force on academic programs, in their words, "pursued ideas from around the country through site visits, attendance at conferences addressing issues under study, and interviews with colleagues or contacts at other locations."

The institution's final report summarized the list of contacts it used, the selected references it consulted, and the strategic plans it reviewed from peer institutions. This whole process is tracked on its Web site at *www.umt.edu/strategic*.

- Can we "borrow" a solution from another college or university or must we "invent" one?
- How will this issue affect our relationship with our primary competitors?
- How will this issue affect our relationship with our primary collaborators?
- Can we "collapse" this issue into another issue that has been posed?

Resist the temptation to rush to solutions and answers because institutions in a hurry to solve or address issues can sometimes forget to clarify it correctly, with disastrous results.

Strategic issues—the University of South Florida

In early 1998, as part of its strategic planning process, the University of South Florida identified "focal points" for strategic planning:

- Liberal arts education,
- Culture and the arts,
- Research: A focus on sponsored research,
- Economic development,
- Community and urban initiative,
- Educational partnerships,
- Enrollment planning,
- Honors programs and services,
- Multidisciplinary initiatives,
- Health and allied health,
- Environmental studies and applications,
- International affairs,
- Student life,
- Multi-campus environment,
- Library and instructional technologies, and
- Technology.

Following the identification of these focal points, the university established a task force for each focal area. Beginning Fall 1998, the task forces and other committees and bodies discussed and assessed the focal points. In early 1999, five themes or strategic issues emerged:

1. Supporting and increasing faculty research, scholarship, and creative activities;
2. Developing a student enrollment profile consistent with a Research I university;
3. Fostering interdisciplinary research and education;
4. Increasing the engagement of the university with the community and region; and
5. Enhancing the quality of student life and the intellectual climate to support teaching and learning.

(*www.acad.usf.edu/plan/index.html*)

Strategic issues—University of Louisville

At the conclusion of its situational analysis, the University of Louisville's College of Business and Public Administration established four strategic themes:

1. The college will be identified as the "supplier of choice" for regional organizations attempting to increase the intellectual capital of their employees. Through our degree and continuing education programs we will enhance the problem-solving skills of students that result in a measurable return for the employer labor investment.
2. The college will be seen as a "supplier of choice" for national and international organizations looking for state-of-the-art graduate education in entrepreneurship and urban and public affairs.
3. The college will provide a core foundation for undergraduate students in the principles of business management with bachelor's degree programs for advanced students in areas such as accountancy, computer information systems, entrepreneurship, economics, equine administration, and sales education.
4. The college will be recognized in the academic community as a school where faculty and staff teams, workload flexibility, faculty accountability, and market-driven compensation are realities.

(*www.cpba.louisville.edu*)

Strategic issues—Lane Community College

As part of its strategic planning process, the strategic planning team at Lane Community College identified six critical issues:

1. Changing needs of adult learners,
2. An increasingly diverse population,
3. Rapid technological change,
4. The central role of staff and alignment of internal systems,
5. Optimizing learning opportunities within available resources, and
6. Competition.

(*www.lanecc.edu/research/index.html*)

A final reminder

John Bryson reminds us that it is important to keep this stage of the planning process as light as possible. Although

the identification of strategic issues will quickly become serious and even heavy, it is important for members of the strategic planning team to keep their senses of humor and acknowledge and release tensions with good-humored mutual solicitude. Otherwise, destructive conflict or paralysis may set in, and the group may find it difficult to agree on a set of strategic issues and move on to developing effective strategies to deal with the issues. Emotions may run high in this step and the group will have to acknowledge these emotions and deal with them constructively.

Identifying strategic issues is the heart of the planning process and managing the transition to the next step—strategy development—is crucial. Too often organizations quickly identify strategic issues and then back off from resolving them because the conflicts or choices embodied in the issues may seem too difficult or disruptive to address. Strong leadership and commitment to the strategic planning process must be exercised if the organization is to deal effectively with the basic issues it confronts.

Additional reading

Many of the resources I would suggest reading at this point were mentioned in Chapter 9. Additional resources include Robert Shirley's "Strategic Decision-making in Colleges and Universities," and a keyword search of NorthernLight.com. Search for "strategic plans" and then sort by higher education. Dozens of college and university strategic plans will appear. Read through some from institutions that are similar to yours to get a feel for the strategic issues they identified.

CHAPTER 11

Developing Strategy

"So many thousand actions, once afoot,
End in one purpose, and be well borne without defeat."

— William Shakespeare, *Henry V*

The development of strategy is the culmination of the strategic planning process, for it is at this stage that you move from the somewhat philosophical (*what should we look like? and what should we do?*), to the practical (*how are we going to do it?*).

Chapter 10 discussed the identification of strategic issues. This chapter will examine how to develop specific actions, or strategies, that will help you deal with these issues. By definition, strategies help maximize strengths, address weaknesses, realize opportunities, and neutralize threats. Strategies help confront problems and realize opportunities. In other words, strategy is what you do.

Strategic issues, goals, and action plans

What is the relationship between strategic issues, goals, and action plans? A *strategic issue* is something you need to deal with, for example, declining enrollment.

A *strategic goal* is an issue that has been operationalized, for example, increase enrollment 3 percent for each of the next five years.

A *strategy* is an action used to accomplish a strategic goal. Actions are outlined in strategic action plans that detail who, what, when, where, and how.

Strategies to help you realize your goal of increasing enrollment might include these:

- Offering more scholarships,
- Waiving the application fee,
- Increasing articulation agreements with other colleges and universities, or

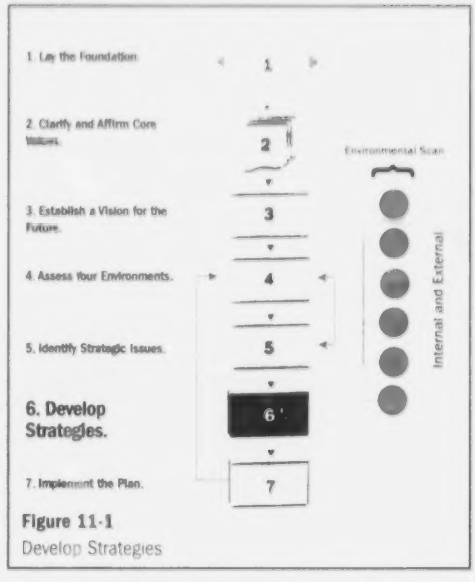

Figure 11-1
Develop Strategies

BEST COPY AVAILABLE

- Involving alumni in student recruiting.

An iterative approach to strategy development

The preceding chapter suggested an iterative approach to strategy development that involves working through the strategic planning committee structure. The reasoning behind this recommendation is four-fold. First, at the strategy stage you are moving from the idealized mission and vision, "what are we going to do" to the more practical "how are we going to do this." It is at this stage that you are beginning to more concretely clarify and prioritize issues and options and begin to assign resources. Budgets are beginning to emerge as are schedules, timelines, and issues of accountability and measurement.

Second, an iterative approach can address a key organizational concern: the fear of change. Many of the previous steps in the planning process have focused on what needs to change. Now, however, you are beginning to outline how this change will occur; what new strategies and activities will be initiated; and what old strategies and activities will be modified or even halted. In times of individual and organizational stress, moving forward with general consensus will help reduce the anxiety level. A plan in place and clear individual and group assignments can also help reduce institutional angst.

Third, there is a sense of bringing things to a close. If the planning process has been going on for a year or more, there is probably a certain amount of "will this ever get done" among senior leaders, members of the coordinating/steering committee, members of the individual essential task committees, and the larger campus community.

And finally, it is time to begin doing things. Even as the larger plan is finalized, some activities will have universal consensus. Moving ahead on these activities is an effective way to neutralize individuals who want to preserve the status quo. Chapter 12 will carry this theme forward and introduce the idea of "quick wins" as one strategy for building organizational inertia and velocity.

Translating strategic issues into strategic goals

When framing strategic goals, remember to these tips:

- List goals in priority order. Focus on the truly important. Don't be distracted by whim or politics. Strategic goals must flow directly from your mission, mandates, values, and vision. They must be honed by the prioritized situational analysis;
- Keep the list of goals as short as possible. It is deceptively easy to get bogged down or over extended; and
- Learn the difference between short-term and long-term goals. Short-term goals are those you must accomplish immediately; long-term goals can wait. Or, as one wag says, achieving the short-term goals is what assures a long term.

Non-quantifiable goals and quantifiable goals

Because the best strategic plans have a balance of both non-quantifiable and quantifiable goals, it is important to understand the difference between the two. A non-quantifiable goal might be to increase the first-year to second-year retention rate. This goal has no baseline, no sense of how it will be measured, and no timeline.

The same goal, stated in a more quantifiable fashion might be to increase the first-year to second-year retention rate from 58 percent to 70 percent over a five-year period:

— Year 1	58 percent
— Year 2	61 percent
— Year 3	64 percent
— Year 4	67 percent
— Year 5	70 percent

It will be much easier to measure progress on the second goal.

Guidelines for good goals

Remember, goals should be as quantifiable as possible. Goals such as "improve our image" or "retain more students" are vague and ill defined. Build goals on baseline data and quantify them. Rather than "improve our image," a better goal is "increase name recognition from 23 percent to 30 percent in the St. Louis metropolitan area during the next 12 months." The new goal is built on research and focuses on a specific geography.

Good goals should also include a time period. For example: we will increase annual fund participation from 17 percent to 35 percent in five years. Good goals are realistic and achievable. While they may involve an institutional stretch or two, they should be possible. If they are not, they will debilitate rather than inspire.

Strategic initiatives—Santa Clara University

In its most current strategic plan, Santa Clara University outlined three strategic initiatives:

- Build a community of scholars.
- Provide integrated education, and
- Focus on resources for excellence.

Santa Clara chose the word "initiatives" rather than goals because to them, initiatives more accurately signify the importance of timely action in pursuit of the strategic

THE ISSUE OF QUANTIFYING

Perhaps the thorniest issue of strategic planning is the degree to which goals should be quantifiable. The debate is generally split somewhat between administrators and planners who are more comfortable with explicit, quantifiable goals, and faculty who are not. At the same time, I have seen faculty members who are very willing to support quantifiable goals in the academic arena as long as goals in the administrative arena are equally quantifiable.

There is no easy way to determine just how quantifiable your goals should be, but there are guidelines. For example, if strategic planning is a new experience, then goals early in the plan should be less quantifiable. At the same time, if the campus is a seasoned veteran of strategic planning, then the goals can be more quantifiable.

Goals developed in a participatory environment can be more quantifiable than goals developed in a less inclusive environment.

Without solid baseline data, almost any quantifiable goals will be suspect.

When appropriate, tie quantifiable goals to rewards.

Seek parity. If goals are to be quantifiable, then the goals to be achieved by faculty, staff, administrations, and others should all be equally quantifiable.

vision. They say these initiatives are linked and depend on one another for their success. The first two initiatives set the strategic direction needed to realize their vision and the third provides the means for doing so.
(*www.scu.edu/SCU/StrategicPlan/StrategicPlan98.html*)

Strategic goals—the University of Montana

The University of Montana created six goals in its last strategic planning process:

- Sustain and enhance the quality of student life through:
  - Continuous improvement of undergraduate education.
  - Improved advising and counseling services.
  - More effective recruitment and retention.
  - Diversity in student services and life.
- Attract, retain, support, and develop a diverse and excellent faculty and staff.
- Strengthen, develop, enhance, and broaden graduate and research programs.
- Provide comprehensive information technology and related services.
- Develop the campuses and continuously maintain the physical plants.
- Provide a stable financial environment, enhance resource acquisition, and assure equitable distribution of resources.

(*www.umt.edu/strategic*)

Strategic directions—William Jewell College

Not totally comfortable with the idea of "goals," William Jewell College identified the following strategic directions:

Direction 1: Identity. William Jewell College will incorporate its mission and vision into all aspects of the internal and external workings of the college, giving it a focused, usable identity.

Direction 2: Fragmentation, Compartmentalization, and Isolation. William Jewell College will make deliberate connection among organizational structures, policies for accountability, programs, persons, and ideas a priority in every area of college life.

Direction 3: Liberal Arts and the Marketplace. William Jewell College will carry out programming that implements the connections emphasized in the competitive, marketing, and positioning strategy.

Direction 4: Coordinated Student Development System. William Jewell College will develop and implement a set of integrated programs, which promote the growth and development of the whole student.

Direction 5: Integrated Enrollment Management System. William Jewell College will develop and implement an enrollment management program that integrates student marketing, admission, financial aid, registration, advising, and retention.

Direction 6: Marketing and Communications. William Jewell College will develop and implement an integrated marketing and communications plan that will express and promote a keen sense of self-awareness, direction, and purpose.

Direction 7: Advancement. William Jewell College will cultivate human and financial resources that will enable the college to realize its threefold mission.

Direction 8: Systematic Gathering of Institutional Information. William Jewell College will develop integrated systematic information acquisition, analysis, and reporting systems, supporting in a timely fashion the internal and external pedagogical, marketing, and managerial needs of the college.

Direction 9: Governance, Decision Making, and Leadership. William Jewell College will achieve effectively concerted governance structures, decision-making processes, and leadership performance.

Direction 10: Human Resource Allocation and Development. William Jewell College will implement

programs in all areas (faculty, staff, and administration), which achieve balance and productivity in workload and fairness in compensation and that provide mechanisms and funding for training and enrichment.
(*www.jewell.edu*)

Strategic goals—the University of Georgia

The University of Georgia established six strategic planning themes or goals:

- The university will strengthen its land-grant and sea-grant commitment to basic and applied scholarly inquiry and its application by providing support where it will be most valuable and by seeking new external funding opportunities;
- The university will ensure that its curricula, degree requirements, and instructional methods are responsive to students' educational objectives and reflect its land-grant and sea-grant mission;
- The university will assure cultural diversity in its student body, faculty, and staff and sensitivity to cultural diversity in its programs, policies, and procedures;
- The university will broaden the international perspective of its teaching, research, service, and co-curricular programs;
- The university will expand its commitment to environmental programs and stewardship; and
- The university will take advantage of new technologies to improve the quality and reach of its academic, research, and service programs.

(*www.uga.edu/strategic*)

Strategic goals—Rice University

As part of its strategic planning process, Rice University outlined the following goals and initiatives:

- Enhance our student's education through initiatives that sharpen their critical thought, broaden their intellectual horizons, and deepen their knowledge;
- Make a Rice education accessible to students from diverse origins and with diverse outlooks, regardless of their financial means, in a residential setting conducive to learning;
- Substantially strengthen our programs of research, and professional and graduate study;
- More fully integrate undergraduate and graduate education as well as teaching and research.
- Substantially strengthen our library and information technology resources in support of excellence in teaching and research;
- Increase our involvement and presence in location, national, and international communities in ways that both contribute to the common good and increase the recognition of the university; and
- Obtain the resources needed to support the university's strategic goals while maintaining prudent, clear financial management strategies clearly articulated to all constituencies of the university.

(*www.ruf.rice.edu/~provweb/plan/plan.html*)

Short-term goals

Though your plan may encompass a period of several years, it is important to include short-term, even annual goals for two reasons. First, short-term goals simplify complex processes. And second, communicating the completion of short-term goals can build strategic momentum and infuse the campus with the feeling that things are moving ahead.

William Jewell College—Strategic Direction 7: Advancement

Earlier, in this chapter, I outlined 10 strategic directions for William Jewell College. In the paragraphs below, one strategic direction, advancement, is expanded to include:

- Underlying strategic issue.
- Indications that the issue is strategic right now.
- Possible consequences of failure to address the issue.
- Implementing objectives.

Underlying strategic issue

Although William Jewell College is financially stable and recently has had a successful capital campaign, the endowment is modest, alumni giving is low, the interest of regional and national foundations and philanthropists is minimal, and the college is heavily dependent on tuition revenue. For future success, the advancement office, and the college at large, need integrated marketing and communication plans.

Indications that the issue is strategic right now

The endowment is modest in relation to college operational needs. The alumni giving rate is low (14 percent in comparison to 21.4 percent national average, and 35 percent in a group of comparison colleges). Foundations and philanthropists are hesitant to invest in the college because of the low alumni giving rate and unfocused identity. For several years, failure to meet enrollment/tuition goals has required revision of approved budgets. (Fall 1990 was the last semester when enrollment reached 1400.) Refinement of marketing and communications is needed for a successful sesqui-

centennial campaign. Effectiveness in advancement operations is essential for continued vitality of the college.

Possible consequences of failure to address the issue

Consequences include these:

- Slide toward financial crisis for the college.
- Loss of stature within the community and widening disconnection from it.
- Continued unclear identity of the college.
- Diminishment of effective education.

Implementing objectives

1. Identity and image. The college will

- Develop and articulate to the college community a philosophy statement of what advancement is.
- Develop a board-led, staff-driven, volunteer-assisted structure in the advancement function of the college (already initiated).
- Develop internal communications to convey the philosophy and functions of advancement to internal constituencies (faculty, staff).
- Create and implement a plan to cultivate major potential donors in the Kansas City area.

2. Alumni Affairs. The college will

- Develop an alumni program providing a balance between fund raising and service (already initiated).
- Develop a program to raise the level of communication with and from rank-and-file alumni to the "good to excellent" range.
- Design and implement a plan to raise the participation rate of alumni in the annual fund to the average level at comparable institutions (already initiated).

3. Advancement Office Operations. The college will

- Secure Board approval, staff and implement a plan for an integrated, systematic, major prospect/donor research system.
- Staff and implement an information system within the advancement office suitable for its information needs.
- Determine the minimum staffing levels required for each advancement function, develop a prioritized plan to reach those levels.

4. Future Campaigns. The college will

- Develop a comprehensive advancement program for the period 1996-2002.
- Develop a cadre of trained volunteers from the various constituencies of the college to assist in the achievement of advancement goals.
- Prepare and implement a multipurpose, multi-constituency campaign for the period 1996-2002.
- Continue to implement initiatives taken to strengthen foundation giving.
- Obtain Board approval and implement a plan to substantially increase individual giving with a particular emphasis on planned giving (already initiated).

Areas of strategic importance

As Chapters 9 and 10 mention, it is likely that strategic goals will be drawn from the following areas:

- Academics affairs,
- Student recruiting and financial aid,
- Student development/retention,
- Institutional advancement and alumni relations,
- Facilities planning,
- Finance and budgeting,
- Information technology,
- Marketing, communications, and image, and
- Human resources.

Of course, this list is only a place to begin thinking. The context of your institution, its environment, mission, mandates, and vision, and the situational analysis, will help generate a list of essential task areas and issues that are strategic for your institution.

Strategic action plan templates

When developing concrete, measurable goals, and action plans, a grid that looks something like the one presented below may help:

Strategic goal # 1:_____

Possible consequences of failure to address the issue: _____

How to measure: _____

Current status: _____

Status at end of Year 1: _____

Year 2: _____

Year 3: _____

Year 4: _____

Year 5: _____

Strategic goal # 2: ...

Strategic goal # 3: ...

Strategic goal # 4: ...

Strategic goal # 5: ...

The grid succinctly states the goal, justifies the goal by including the consequences of failing to address the issue,

describes how progress toward the goal will be measured and the current status or benchmark, and lays out measurable goals within the larger goal.

Template from Salem Community College

Salem Community College used a slightly different template for its strategic action plans, which may work better for your organization:

- Goal: Description of the goal.
- Explanatory narrative: A single, concise paragraph that explains why the goal is important.
- Anticipated outcomes: The potential outcomes that will be generated by the successful completion of this goal.
- Measurement vehicle: The measurement tools, instruments, or methods that will be used to assess the successful completion of the goal.
- Effectiveness and efficiency: Explanation of how the successful completion of this goal will improve the college's effectiveness and efficiency.
- Timeline: A schedule for the completion of this goal.
- Strategies:
  1. Mission fulfillment
     A. Objective A:
        1. Strategy
           a. Activity a:
           b. Activity b:
- Person or department responsible: Those departments and/or position titles who will be responsible for the successful implementation of the goal.
- Summary of action and resource requirement: A list of any additional operational costs to the institution to implement this goal (i.e., new hires, money for program, new department, etc.).

The importance of benchmarking

An often under-emphasized aspect of planning is benchmarking. Ken Williams, associate vice president/marketing at St. Edwards University said,

> If you don't set the benchmarks for each step (ours are at six-month intervals) you will drift. Enrollment, image, faculty quality, student profile, classroom technology—you've got to have numbers for each item chosen.
>
> Plans fail because the leadership lets things happen that are not in the plan. That creates a sense that the plan is not the real guiding force. If benchmarks are not measured and enforced, celebrated, or shored up, then the energy of the people dies—and that kills the plan. At St. Edwards every plan that has been discussed, adopted, concentrated upon and ruthlessly measured and benchmarked, has been achieved. Others, well …

Williams concludes, "Without measurable goals, all you have is empty rhetoric."

Hold off on the wordsmithing

When creating strategic action plans, work with general goals and leave details and wordsmithing for later. Your plans will proceed much more quickly if you avoid detail until later. Once the planning team has assembled the complete range of topics, it can make some preliminary decisions about which plans to flesh out.

The use of planning software

Using planning software at this stage is critical. Although the bulk of the plan—the mission, vision, situational analysis, strategic issues, and strategic goals—may be developed with a good word-processing package such as Microsoft Word or WordPerfect, the creation and monitoring of your action plans, timelines, and budgets will be much easier with Fast Track, SureTrack, ManagePro, or On Target on your side.

For example, good planning software allows you to develop a template that includes the activity, who will do it, timeline, and cost. You can then create one master timeline that includes all the strategic action plans or assemble one budget or list all the strategic action plans that the chemistry department or the academic dean is responsible for.

Furthermore, if you make any changes such as timing, cost, or who is responsible, that change is made automatically in every part of the plan. Of course, it is possible to create an effective strategic plan using only a word processor. But planning software will save you time and make the management of your plan much easier.

To illustrate the utility of planning software, let's suppose our situational analysis supports the following strategic goal: **Increase the number of first-year students from 630 to 720 in four years.**

In response, the essential task area for student recruiting and financial aid advances the following strategic actions:

- Conduct a nonmatriculant study.
- Create a statistical profile of a persisting student.
- Undertake a competitive positioning study.
- Develop a segmented search strategy directed at more affluent students.
- Identify four key majors to "push" more aggressively in funnel.

Activity Name	Who	Budget	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Conduct a nonmatricular study	Toni	$15,000			◆									
Create a statistical profile of a persisting student	Toni	$2,500					◆							
Undertake a competitive positioning study	Toni	$18,000					▬							
Develop a segmented search strategy	JoAnn	$65,000		▬	▬									
Indentify four majors to "push"	JoAnn	$4,800							▬					
Initiate an alumni recruiting strategy	Tim	$12,000									◆			
Evaulate our and our competitors' tour programs	Jack	$5,000									▬			
Develop a new campus tour program	Jack	$6,000												
Implement faculty email program for contacting prospective students	Kathi	$800								◆				
Enhance admissions Web site	Sherry	$35,000												
Create "Welcome Center"	Don	$1,200,000		▬	▬									
										▬	▬			
		$1,364,100												

Figure 11-2
Sample GANTT Chart

- Initiate an alumni-recruiting strategy.
- Evaluate our and competitor campus tour programs.
- Develop new campus tour program.
- Implement faculty e-mail program for contacting prospective students.
- Enhance admissions Web page, and
- Create "welcome center" that includes admissions, business, registrar, and counseling.

Now use planning software to create an abbreviated SAP template that includes the elements demonstrated in Table 11-1.

Table 11-1
Strategic Action Plan Template

Strategic Action Plan Template
Name of strategic goal
Description of SAP (activity)
Assigned to (who)
Budget
Begin date
End date

With planning software it is easy to assemble the details of the action plans. In Figure 11–2, the software, in this case Fast Track, easily coordinates the strategic action plan variables. Furthermore, it summarizes all strategic action plans on one page, thereby giving a quick overview of the entire plan. It also allows you to print GANTT charts by individual. (GANTT charts are chronological depictions of the individual strategic action plans.)

Good planning software includes a provision for tracking dollars. Some software also keeps a running tally on dollars spent and reminds you if projects are running ahead or behind budget.

Even the most basic software can plot on a calendar dates when each action plan will be accomplished. By simply moving the symbol of the activity, in our example a triangle, you may change when something is to occur. By moving the timing symbol on the GANTT chart, you change all references to that activity everywhere in the plan.

The calendar function of planning software also allows you to display and print any portions of the plan you wish. For example, you can print the strategic action plans for July, one quarter (July, August, and September), an entire year, or multiple years.

Strategic actions—Salem Community College

Salem Community College used a very straightforward approach to present its strategic actions.

First, it identified strategic issues for each of the essential task areas. Second, it discussed the historical context. And third, it listed strategic actions. In this case, one task area combines marketing, enrollment management, and retention. A portion of this sequence, *sans* the historical context, is presented below.

Task area statement

Salem Community College: Progressive marketing, enrollment management, and retention

We (Salem Community College) are dedicated to reaching the most diverse population of students possible. We are committed to providing a level of excellence in service unmatched by any competitor. We will continue to enrich our community and to demonstrate a high level of respect for the integrity of all of our stakeholders.

Strategic issues

How do we reinforce a positive perception of Salem Community College's responsiveness to the needs of our community?

- How can Salem Community College increase enrollment?
- How can students be assisted in learning?
- What type of system can Salem Community College use to move students through developmental courses more effectively?
- How can Salem Community College provide better access of student data to faculty, staff, and students to improve academic advising and student retention?

Strategic actions—marketing & recruitment efforts

First Initiative:	Develop a campus-wide marketing/recruitment plan.
Responsibility:	Director of Student Services, Dean of Academic and Student Affairs, & Advancement Team.
Timeline:	Committee Formed: June 1999 Data Collection & Analyses: June 1999 (Ongoing) Development & Implementation of First Year of Multiyear Plan: November 1999. Evaluate & Revise Plan: November 2000.
Second Initiative:	Improve capture rate of Salem County high school graduating seniors.
Responsibility:	Director of Student Services.
Timeline:	September 1999 (Ongoing).

Strategic actions—Centre College

Centre College divided the operational aspects of its strategic plan into 12 sections and 20 goals. Each goal is supported by a number of objectives. The 12 essential task areas include these:

- Faculty and curriculum,
- Student life,
- Enrollment management,
- Library and instructional services,
- Information technology,
- Norton Center and cultural life,
- Athletics and recreation,
- Governance,
- Human resources and productivity,
- Budget and endowment management,
- Physical plant, and
- External affairs.

I have taken a handful of the 12 sections and spelled out some of the goals to give you a sense of how they were fleshed out by the college.

1. Faculty and curriculum:
   a. Centre will maintain and enhance the vitality of its curriculum as a transforming experience for students and an energizing experience for faculty and staff. Such a curriculum will be a more visible part of Centre's efforts to attract quality students, faculty, and staff.
   b. Centre will provide a working environment for its faculty such that the College can effectively attract its first choices in faculty hiring, and it will provide compensation and other measures of support that encourage long-term commitment to the institution.
   c. Centre will seek to increase the diversity of faculty so that Centre might become a college of choice for students from a wider variety of racial, ethnic, and geographic backgrounds. This matter will be referred to the Faculty Development Committee and that group will be asked to identify and recommend measurable goals and objectives by Fall, 2001.
2. Enrollment management:
   a. Centre will increase the number of applications for admission to 1500 per year, improve its yield rate, i.e., the percentage of admitted students who matriculate, improve its rate of retention as mea-

sured by graduation rate, and seek to be identified as being "most selective" in its admissions profile. Achievement of the objectives that follow will result in an overall enrollment of between 1050 and 1100 students at the opening of the 2004-2005 academic year, and position the college for additional growth, if deemed desirable, toward an enrollment of 1200 students.

b. Centre will seek during the life of this plan to reduce the overall discount rate, i.e., the average percentage by which it reduces tuition costs to students through scholarships and financial aid, moving toward 35 percent from its current 41.2 percent. Moreover, the College will seek to attract students with a greater ability and willingness to pay the entire comprehensive fee. When successful in meeting this goal, Centre will stand apart among the top tier of national liberal arts colleges as an institution with a dual commitment to quality and accessibility.

c. As part of its continuing commitment to being a college of access, Centre will seek to increase the diversity of the student body with regard to geographic origin (including international), ethnic and racial, as well as socioeconomic background.

3. Governance:

a. Centre will enhance and maintain a system of governance that fosters a sense of collegiality and provides effective means by which to harness the community's talent and commitment in order to advance the college's mission.

4. Human resources and productivity:

a. Centre will continue to enhance the working environment of the institution such that the college remains the employer of choice in its various areas of work and service. Centre's approach to employee recruitment and retention will be such that each employee, no matter what his or her specific job title might be or how long he or she has been at the college, will continue to find new opportunities for professional and personal growth and will be encouraged to understand that his or her job is a vital part of serving the college's mission.

5. External affairs:

a. Centre will reclaim the number one position in alumni giving percentage, while also continuing to increase the size of its average gift.

b. During the life of the strategic plan, Centre will, through its development program, add $55 million to its endowment by June 30, 2005. Of the $55 million, $35 million will be restricted to endowment for student financial aid and scholarships.

c. Centre will develop by Fall 2000, a comprehensive plan through which it will work continuously and systematically to increase awareness of the college in targeted populations. The effective implementation of this plan will contribute to an increased number of student applications, a broader base of support, improvement in Centre's rankings by national publications, and exposure in national media.

Goals and strategies matrix

As part of its strategic plan, Iowa State University prepared a matrix that cross-referenced its six strategic goals with its strategic action plans. (See Figure 11-3.) Matrices such as this are extremely useful to show how a single strategic action plan can support a number of different strategic goals.

How much is too much?

I am often asked how many strategic goals and actions a college or university should attempt to undertake at one time. Unfortunately, there is no easy way to answer that question. However, there are some guidelines. Institutions with more resources and people can usually accommodate more goals and actions. Institutions with more planning experience can handle more than institutions with less. When in doubt, use common sense. I have a plan on my desk that has more than 90 strategic initiatives. This looks great on paper and I am sure the board was wowed, but I doubt it will get off the ground.

Tying performance indicators to strategic goals

Strategic goals need to be quantifiable. Here are three examples of how strategic goals can be tied to performance indicators. The first comes from the University of Iowa. The second is from Maryland.

Measuring progress—the University of Iowa

The current strategic plan at the University of Iowa did a nice job tying intermediate performance indicators to strategic goals. Each goal was presented with targeted indicators and progress indicators. Targeted indicators were those quality-related measures that could be associated with time-specific numerical objectives. Progress indicators, on the other hand, were additional points of reference that could not be set at predetermined levels but that were useful in tracking the institution's direction and rate of improvement.

For example, according to the explanation on the uni-

Goals

1. Strengthen undergraduate teaching, programs, and services
2. Strengthen graduate, professional, and research programs
3. Strengthen outreach and extension efforts
4. Sustain and enhance an intellectually stimulating environment and a supportive university community for all students, faculty, and staff.
5. Establish international leadership in the integration and effective use of information technology and computation services.
6. Strengthen initiatives to stimulate economic development, with a special emphasis on environmental stewardship and enhancing human resources and the quality of life.

Strategies	Goals					
	1	2	3	4	5	6
1. Improving Student Life						
a. Enhance programs to provide students with academic, personal, social, and financial support necessary for individual persistence and growth.	✓	✓	✓	✓	✓	
b. Provide programs and services for students that ensure that attendance at ISU is a quality intellectual, psychological, and financial investment.	✓	✓		✓		
c. Create an environment in which intellectual and personal growth is not hindered by concern for individual safety.	✓	✓		✓		
2. Enhancing Diversity						
a. Increase the diversity of the undergraduate and graduate student body through aggressive recruitment and retention programs.	✓	✓	✓	✓		
b. Increase employee diversity.	✓	✓	✓	✓		
c. Foster an environment in which differences among people are respected and mutual understanding is enhanced.	✓	✓	✓	✓		✓
d. Provide a diverse curriculum that values the contributions of all people and prepares students to meet the challenges of a diverse world.	✓			✓		✓
e. Expand programs for faculty and staff development related to diversity.	✓	✓	✓	✓		✓
3. Increasing Internationalization						
a. Increase the international and global knowledge of ISU students.	✓	✓		✓		
b. Increase the internationalization of ISU employees and expand international faculty and staff development programs.	✓	✓	✓	✓		
c. Foster an environment in which cultural differences among people further mutual understanding.	✓	✓	✓	✓	✓	
d. Expand the scope and intensity of international/global scholarship.	✓	✓	✓	✓	✓	✓

Figure 11-3

Iowa State Planning Grid (ISU's 1995-2000 Strategic Plan.)

Source: "To Become the Best--Iowa State University Strategic Plan 1995-2000." Reprinted with permission.

versity's Web site, the proportion of undergraduate credit hours taught by tenured or tenure-track faculty in undergraduate colleges has a clear bearing on the quality of undergraduate education. Thus, in setting a target percentage, the university should be able to assess qualitative improvement using a quantitative gauge. By contrast, it would be inappropriate for the university to set numerical targets for usage of special support and student disability services; however these data are followed so that we can monitor year-to-year variations, anticipate future trends, and assess our progress in serving a diverse community and creating a high-quality working and learning environment.

In her introduction to the strategic plan, Iowa president Mary Sue Coleman said the progress of an institution as complex as the University of Iowa cannot be charted in spreadsheets alone, nor can any single set of measurements be made to apply equally to all parts of the organization. Moreover, said Coleman,

> It is beyond the scope of even the most sensitive numerical indicator to capture non-quantifiable, yet profoundly significant, signs of improvement in an academic institution that aspires to excellence. A great university is marked by a continuous increase in the vigor and dynamism of its intellectual community, as evidenced in an unrelenting and never-ending pursuit of knowledge and a constant growth in the courage to face truths, including those truths

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> that may be difficult to accept. For the University of Iowa, the most meaningful indicators of quality are written in the enriched lives and expanded horizons of our students and in the value of the scholarship and services that we extend to others.

Dissecting a goal

The next section explains how to tie intermediate performance indicators to strategic goals. Let's take a quick look at Goal 1 in the University of Iowa's strategic plan, which is comprehensive strength in undergraduate programs.

Some of the targeted indicators include

- percentage of students graduating in four, five, and six years.
- number of National Merit Scholars and high school valedictorians in the freshman class.
- participation by undergraduates in scholarship/creative activity and individual development programs.
- percentage, by discipline, of undergraduate credit hours taught by tenured and tenure-track faculty; percentage of senior tenured faculty in undergraduate colleges who teach at least one undergraduate course per year.
- general assignment classrooms with access to computers and multimedia presentation equipment.

Some of the progress indicators for this goal include

- reputation rankings; national surveys.
- student rankings of perceived quality of instruction (surveys, evaluation forms).
- placement rates.

Measuring progress—the University of Maryland

As part of its most recent strategic plan, the University of Maryland proposed the following indicators to monitor the extent of progress made during each of the next five years:

- The quality of the undergraduate student body as indicated by SAT scores, the number of merit scholars, higher retention and graduation rates, the percentages of women and minorities enrolled—especially in disciplines where they have been underrepresented in the past, the placement of graduates in prestigious graduate and professional schools, and the number of graduates awarded prestigious fellowships and awards. The effectiveness of our undergraduate educational programs as indicated by the measures mandated by the Maryland Higher Education Commission for use by all higher-education institutions in the state: surveys of employer satisfaction, employment rates, results of licensing and certification exams, etc.
- The level of student satisfaction with the undergraduate education they have received at College Park as indicated by surveys of currently enrolled students and recent graduates.
- Excellence in graduate education and research as measured by the quality of our graduate students, the number of doctoral and professional master's programs recognized as distinguished, the placement of these degree recipients in prestigious positions and institutions, the number of faculty receiving major prizes and honors, standing among identified peer institutions in various measures of research significance (numbers of NSF Fellows, Presidential Young Investigators, levels of sponsored research, etc.), the percentages of tenure-track minority and women faculty, and the number of minority and women graduate students receiving degrees.
- The extent of the university's contribution to society as measured by the number of services delivered to local, state, and federal agencies; enrollments in executive and continuing-education programs; and the number of high-tech firms locating in the College Park area. The level of satisfaction with campus research and advisory services as indicated in surveys of user communities.
- The level of entrepreneurial activity as measured by the amount of increase in revenues from non-state sources—including revenue from intellectual properties, executive education and nondegree programs, private giving, privatization efforts, and partnerships with state and regional firms.

This section of the plan concludes with this statement:

> During the next five years those departments undergoing regularly scheduled unit reviews will be evaluated with respect to the quality of their performance as measured by three criteria: strategic centrality, competitive quality, and cost-efficiency. The overriding consideration in these reviews, as in all other future resource decisions, must be how far and how quickly each unit can advance the university toward the goals set out under each initiative. The campus's office of planning will be expected to play a major role in generating and analyzing the data required for effective management of the plan.

Linking budgets to planning

Up to now, this book has avoided any in-depth discussion of the budgeting component of strategic planning because

like John Bryson, Daniel Rowley et al., Robert Glenn, and others, I believe dollar resources should be considered after much of the rest of the plan has been fleshed out. Strategy should focus on the "how" after the "what" has been determined through the assessment process and identification of strategic issues.

Think of it as a balancing act. An early discussion of dollars might constrict the strategic wishing and thinking. At the same time, the creation of a plan without an acknowledgment of dollar issues would be negligent. It does not do any good to propose a series of strategic goals and ensuing strategies that have no hope of adequate funding.

The relationship among vision, strategic goals, action plans, and budgets

John Kotter, writing in *Leading Change*, offers a very useful diagram to help us understand how budgeting fits into the overall strategic planning process. His diagram, modified slightly for our purposes, is presented in Figure 11-4.

It is the responsibility of leadership to create, or at least clarify, the overall vision and strategic goals. At this point, management (or administration) takes over and begins to develop strategic action plans and the budget, which is tied to metrics or other measures of performance.

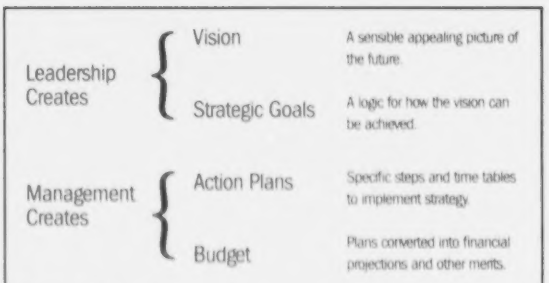
Leadership Creates
Vision
A sensible appealing picture of the future.
Strategic Goals
A logic for how the vision can be achieved.
Management Creates
Action Plans
Specific steps and time tables to implement strategy.
Budget
Plans converted into financial projections and other merits.

Figure 11-4
Role of Budgeting in Planning Process
Source: Based on information from *Leading Change* by John P. Kotter. (Harvard Business School Press, 1993.)

When budgets are tight

David Leslie and E. K. Fretwell, in *Wise Moves for Hard Times*, say when resources are tight, there are three basic approaches to funding strategic change.

The first option is to take big slices out of the institution. This strategy is based on cutting or cannibalizing some programs so that others may survive with enough funds to sustain their quality and effectiveness. This approach is inevitably painful, because it requires a redefinition of the institution and a dislocation of people.

The second option is to cut or "tax" all programs a certain amount—say 5 percent—to meet a shortfall. In their view, this is irrational and heavy-handed. It suggests that the institution has no vision and no plan, and it assumes all programs are equal and treats them the same. This option also avoids hard decisions about weak or inefficient programs, and it risks missing targets of opportunity for new investment.

Leslie and Fretwell note that some institutions have instituted a small "tax" of 1 to 3 percent to put in an "innovation fund" for seeding new ideas. In their opinion, this is a good idea. Most institutions they studied did not have a pot of available money for reinvesting and for promoting change. Perhaps some of them could have moved more quickly and purposefully if such funds had been available.

The third option, they say, starts with "We can't keep doing everything; we have to focus energy on what we are good at." This path has two branches. One branch defines "good" in terms of mission. They cite Bloomfield College and Tusculum College as examples of institutions that

FIVE 'LAWS' OF HIGHER EDUCATIONAL COSTS

Raymond Bacchetti says working within the constraints of resources, particularly dollars, has always been a challenge for most colleges and universities. This is why, in part, one of the most important goals of strategic planning is to help organizations maximize available resources. Unfortunately, working within resources is not always our first choice. Bacchetti offers what he calls Howard R. Bowen's Five Laws of Higher Educational Costs:

- The dominant goals of institutions are educational excellence, prestige, and influence.
- In quest of excellence, prestige, and influence, there is virtually no limit to the amount of money an institution could spend for seemingly fruitful educational ends.
- Each institution raises all the money it can.
- Each institution spends all it raises.
- The cumulative effect of the preceding four laws is toward ever-increasing expenditures.

Bacchetti, quoting Bowen, states that these laws lead to situations where the financial problems of rich institutions are as severe as those of all but the very poorest places. No one is good at concluding when enough is enough, therefore, all see need as outstripping resources. Ambition and need is not the same as efficiency of means and conservation of capital. Cost-benefit analysis is seldom done for the perfectly sound reason that benefit eludes measurement. But, concluded Bowen, limits do assert themselves.

THE NEED TO GAIN ACCESS TO PREDICTABLE SOURCES OF REVENUE

Robert Glenn believes that the failure to gain access to predictable sources of discretionary funds is the one central issue that appears to be driving the higher education strategic planning process into greater and greater levels of irrelevancy. This lengthy passage from this unpublished paper is used with permission from the author.

Access to discretionary funding is particularly important in a time of increasing change and uncertainty. Change—for example, new or retooled academic programs, pursuit of new markets, organizational restructuring, staff retraining, or enhanced technology—almost always requires a significant financial investment. While such changes may have quite attractive returns, the initial financing must come from the expenditure of discretionary resources (either "new money" or the reallocation of existing resources).

This problem becomes even more important as uncertainty increases, since the institution must be flexible enough to respond to new challenges/opportunities as well as willing to risk investment capital on strategies that may not succeed as well as predicted. This dilemma places even more emphasis on the availability of discretionary capital.

Obviously, some institutions have less of a problem than others do in accessing sources of discretionary capital. These fortunate schools—most notably, the elite privates and several AAU publics—enjoy large endowments, strong foundation and alumni support, a research base, alternative revenue sources, etc., which provide a better opportunity to insulate them from many of the financial vagaries of less well-off institutions. The significant point is that these "haves" are far outnumbered by the "have-nots" of higher education, which run the gamut from smaller public comprehensive universities or community colleges to smaller, under-endowed private liberal arts colleges. Such schools typically operate from one budget cycle to the next, with little budgetary "wiggle room" within which to fund new strategies, no matter how attractive.

Moreover, the public institutions among this group of "have-nots" operate within a state/local political environment where their funding is too often subject to the whims of political expediency. The politicization of the funding process produces both unpredictability and capricious earmarking of how such funds are to be expended, further limiting institutional discretion. Public institutions are also often subject to arcane rules governing how operating surpluses can be carried over from year to year, further limiting their ability to accumulate discretionary funds for reinvestment.

The uncertainty and unpredictability of access to discretionary funding has, in our view, become a major deterrent to "reality-based" strategic planning for tuition-driven institutions. Faced with few reliable answers as to how and from what sources such funding will be secured, many campuses have defaulted to either the "business as usual" or "wish list" planning models, with the resulting "plan" often disconnected entirely from the funding question.

Linking budgets to goals during the planning process

While evidence has recently emerged that institutions are attempting to more effectively link their planning and budgeting processes, these linkages are too often made after the strategic planning process is completed. By developing a clear linkage between goals, plans, and resources during the planning process, the institution would be better able to

- Evaluate the attractiveness of various strategies against the cost of their achievement.
- Assess the feasibility of implementing the strategies against the availability of capital.
- Prioritize action plans based on their benefit, cost, and return on investment.
- Engage funding entities (trustees, regents, legislative bodies, foundations, corporate donors, alumni, etc.) in meaningful dialogue about the institution's future and the resources required to achieve important goals.
- Establish a realistic schedule for implementation, based on funding flows and the availability of other required resources.
- Identify and develop creative sources of discretionary capital, including a reallocation of existing resources, generating new nontuition-based revenue sources, grant funding, etc.
- Lessen the "turf battles" that inevitably ensue between academic and administrative units when competing for scarce resources.
- Reduce the cynicism and disillusionment that naturally occurs when important initiatives are designed and incorporated in the strategic plan, but then remain unfunded.

Unwillingness to link budgets to planning

If the planning process would be markedly improved by early and explicit inclusion of the funding question, why don't more institutions do it? The answer appears to be driven by a number of related culture and governance factors:

- Institutions operating with a "weak president" governance model may lack the strong executive leadership required to engage boards, state legislatures, and other funding agencies in substantive discussions of institutional strategy and resource requirements.
- When strategic planning is delegated below the presidential level, the staff responsible for the process may not feel comfortable initiating such discussions with funding entities. This is especially true when the planning process is delegated to faculty committees, who may see such discussions as placing them in the unseemly position of mendicants.
- Simply raising the question of resource availability may be viewed as stifling the creativity of the planning process.
- The organization may not have the desire to scale back its aspirations to more achievable levels, preferring instead to envision a future unconstrained by messy issues like availability of funding. This may also provide a convenient opportunity to blame funding entities for lack of support when strategic goals aren't realized.
- Institutions may resist involving outsiders in the planning process as "meddling in our affairs," viewing such entities as "the enemy" rather than as strategic partners. Outside stakeholders may also have competing interests, further complicating the planning process.

Even if the institution solicits the involvement of funding entities and oversight bodies (trustees, regents, system offices, state boards of higher education, legislatures, etc.) in the process, such entities may resist it. Avoiding involvement frees the funding entity from the need to publicly grapple with what may be difficult questions. Instead, such entities may prefer to remain distant from the issues of strategic direction and resource requirements until seeing the outcome of a resource-unconstrained planning process. Such distancing, whether intentional or accidental, can lead to a variety of unproductive outcomes, including flawed planning assumptions, confusion, wasted effort, finger pointing, and disillusionment.

— Robert Glenn

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have essentially reformulated their major premises—their visions—on which they based everything else. They basically reconstructed the whole college on the basis of new principles.

The other branch of the third option—one that's more attractive to more complex institutions—involves continuous adaptation and reshaping. Pennsylvania State University, for example, identified certain themes on which it felt it could build strengths and selectively reallocated funds to programs that added to these strengths. It was felt that this process would make the university different in the long run, although precisely how different was uncertain. The immediate changes were comparatively small, but the long-term cumulative effect of these changes—all driven by a vision that emphasized the strong points of the university—would be substantial.

Budgeting suggestions

Recognizing that I am not a finance officer, and that individual institutions encompass a dizzying array of contexts and strategic issues, I offer the following budgeting suggestions (taken from a variety of sources, including Glenn, Leslie and Fretwell, Rowley et al, Bryson, and others):

- Do not create a strategic plan your institution cannot budgetarily sustain over the life of the plan. It does little good to create false hopes only to have them dashed under the harsh light of economic reality.
- Fund the initiatives that offer the best chance of success and the widest support on campus. Remember the payoff matrix.
- It is generally counterproductive to fund your plan with an across-the-board cut. Ideally your situational analysis indicated some programs or activities that can be liquidated. At the same time, your analysis may reveal that some programs have been underfunded.
- Calculate funds for investment. The array of potential dollars include: 1) cash generated by operations including tuition, endowment, fund raising, and auxiliary services; 2) new equity; 3) new debt; 4) lines of credit and loans; 5) disposal of some existing assets; and 6) one-time gifts and grants from donors or foundations.
- In addition to calculating the costs of implementing your strategic plan, do not forget to factor in possible savings or even generated revenue. If a new cooperative venture with a local utility will reduce your electricity costs, then use the dollars that have been freed-up to help support the plan. One word of caution: Make these estimates of revenue generation predictions or savings conservatively.
- If a newly funded program or activity generates dollars, use a revenue (dare I say "profit") sharing formula that allows the new program or activity to retain some of the after-cost dollars. For example, if a new technology innovation generates a budget surplus, don't return all those dollars to the institutional coffers. Instead, let that program retain some of those dollars to fund new initiatives. Not only will this reward the program, but will send a signal to recalcitrants that it might be to their economic advantage to get off the fence.
- Create a "new ventures fund" to which people with ideas can seek funding. Support the new ventures fund with budget cuts in underperforming areas or with surplus profits.

One college's approach to the reallocation of resources

In a section of its strategic plan titled, "A Reallocation of Resources," Virginia Commonwealth University explained both how the plan, implemented in the early 1990s, would be affected by the budgeting process and how the budget would be impacted by the plan.

They asserted,

> Clearly, the cost savings identified in this plan will not immediately generate large sums for reallocation, nor are they sufficient in any event to fund all targeted enhancements. Significant increases in state funding for the university are also highly unlikely in the foreseeable future. The program enhancements and initiatives outlined in the strategic plan will be possible, then, only if new sources of external funding are identified, and if the university's current resources are reallocated in accordance with the priorities identified in the plan. Accordingly:
>
> - The executive budget committee should review all of the university's revenue sources for their relevance to elements of the strategic plan. A reallocation plan, relating specific revenue sources to specific plan priorities, should be developed.
> - The aforementioned comprehensive review of the university's administrative structures and services should have, as its target, an aggregate reduction of 15 percent of the university's total administrative costs. (Across-the-board reduction strategies should be avoided; indeed, some administrative functions are in serious need of additional resources.) Strategies for accomplishing this reduction should include the reduction and redeployment of personnel, reduction of duplication, increased efficiencies, privatization, and the identification of functions that could be handled by staff in lower classifications. FTE's that have been transferred from academic to

administrative use should receive special scrutiny.
- The provost and vice presidents should develop a process to ensure that open positions and salary savings generated when positions become open are redeployed in accordance with the priorities enunciated in this plan. This process should apply to all vice presidential areas.
- A plan should be developed to ensure that efforts of the university's advancement program are directed toward raising funds for the enhancements identified in this plan. The advancement program should be rendered self-supporting at the earliest possible date—that is, it should be funded by means of a tax on dollars raised rather than relying on E & G dollars.
- At present, a 1 percent "tax" has been assessed against all university units for 1993-94, creating a permanent, revolving fund of approximately $1 million to be used in support of program enhancements identified in this plan. Such taxation should be considered in the future only when all other possibilities have been exhausted. Future "taxes" should be targeted, not across-the-board.

(www.vcu.edu)

Assemble and debug the strategic action plans

The final step is to debug the strategic action plans. Working from the individual and collective strategic action plans and the assembled GANTT charts, evaluate the following:

- Are you spending 80 percent of your time and resources on the most important activities?
- Is every strategic action plan clearly supporting a strategic issue? If it isn't, will you take it out or at least highlight it for future cutting if a budget crunch occurs?
- Is the viability of each strategic action plan clearly borne out in the situational analysis?
- Has enough time been allocated for each strategic action plan? Remember, things take longer the first time through.
- Are the budgeted dollars realistic? If not, costs will cartwheel out of control.
- Are too few people doing too many things? All major administrative departments should be involved in executing action plans.
- Are first things being done first? Do what needs to be done now so that other things can be done later.
- Are early strategic action plans primed for success? For moral and political reasons, make sure some of your early strategic action plans are highly successful and highly visible.

If your strategic action plans survive after you ask and answer these questions, you have gone a long way to developing a sound series of strategic action plans. And because you have used planning software, you can now run a total budget and timeline.

A plan outline

Up to now, I have refrained from presenting an outline of the overall written strategic plan because I was more concerned with establishing rationales and processes than a format. At this juncture, an outline is useful. And while there is no one single strategic plan outline, most planning documents include the following elements:

1. Introduction to the planning process.
   a. Acknowledgments to team members.
2. Mission.
3. Vision.
4. Abbreviated situational analysis.
5. Assumptions upon which the plan is based.
6. Strategic issues.
7. Strategies and tactics (action plans) by essential task areas:
   a. Academic affairs.
   b. Student recruiting and financial aid.
   c. Student development/retention.
   d. Institutional advancement and alumni relations.
   e. Facilities planning.
   f. Finance and budgeting.
   g. Information technology.
   h. Marketing, communications, and image.
   i. Human resources.
8. Timelines.
9. Budgets.

The University of North Carolina-Charlotte

To give you another perspective, consider the strategic plan outline for the University of North Carolina-Charlotte:

1. Introduction.
2. Environment for the planning process.
3. Assumptions of the planning process.
4. A vision and mission for UNC-Charlotte.
5. Students (undergraduate, graduate, and nondegree):
   a. Access and opportunity.
   b. Retention and success.
   c. Freshman year experience
   d. Academic advising
   e. Instructional effectiveness.
   f. General education

6. Faculty:
   a. Faculty roles and rewards.
   b. Faculty development.
   c. Faculty research.
   d. Interdisciplinary programs
7. Delivery of Education
   a. Summer school.
   b. Distance learning.
   c. Continuing education.
8. Focusing our collective energy: themes for campus development.
9. Implications of the themes.
10. Academic program development.
11. Academic organization and allocation of instructional resources.
12. Academic facilities.

(*www.uncc.edu/academic_affairs/academic_plan*)

Keeping it short and simple

Here are guidelines to help develop your written plan. First, the document should be as concise as possible. There is no good reason why a plan should be any longer than 25 or 30 pages. Many plans should be much shorter.

Keeping your plan concise is more about what to leave out, than what to keep in. For example, the planning document should not contain the detailed situational analysis or an overview of all the research. Rather, it should cite these other documents and point out where they can be found for review.

Second, the plan should be flexible. Because so much of the process is iterative, the likelihood of the strategic plan changing, especially at the action plan level, is high. Expect this to happen. Plans are always "under construction."

While many colleges and universities go ahead and reproduce the document on glossy stock with a four-color cover, resist the temptation to include a lot of detail in this very public presentation. If you do, you will find the formal presentation of the plan conflicting with the actual plan.

Third, keep the presentation of the plan as simple as possible. If you make it too complex—or too long—very few people will actually take the time to read the plan and the ones who do will not find it an inspiring read.

Finalizing and formalizing

At the conclusion of this stage in the planning process you should have a firm sense of your overall strategic plan. There may be wordsmithing to undertake and a few budget and calendar items to finalize, but the plan should largely be in place. It is at this point that the plan should be presented to the campus. While formal adoption by the campus community may not be a requirement, it is usually a prudent thing to do, and will enhance its acceptance and legitimacy.

The presentation of the plan

While we all recognize that the process—and the strategic forces it unleashes—is more important than the plan, we also realize that the creation and presentation of a planning document is a significant milestone. Distribute copies to all faculty and all middle and senior administrators and staff and department heads. Also send copies to these people:

- Key donors,
- Appropriate governing and legislative bodies,
- Key alumni, and
- Key members of the business community.

Copies should also be available by request for other members of the campus community and should be available in the library, resource center, administration building, and human resource office. A copy should also be posted on the campus' Web site and intranet. Remember, your goal is to disseminate the plan as widely as possible.

Recognizing that the formal written plan may not include all the research and analyses, make sure a handful of expanded versions which contain these reference documents are also positioned throughout the campus.

On some campuses this presentation is an occasion for another celebration, not unlike the earlier one celebrating the kick-off.

Conclusion

As strategy develops, the planning moves from the abstract and theoretical to the real and concrete. The focus shifts from the "what" to the "how." Many planners and stakeholders find this the most invigorating part of the planning process and sprint ahead courageously, others balk and become tentative. The key is to keep an eye on the vision and to trust in the process.

Additional reading

The short list of resources at the close of the introduction is a solid foundation for garnering a greater understanding of strategy. In addition to those, I would add David Leslie and E. K. Fretwell's *Wise Moves in Hard Times*, and George Keller's *The Best of Planning for Higher Education*.

CHAPTER 12

Implementing the Strategic Plan

"To fight fear, act. To increase fear, wait, put off, postpone."

—David J. Schwartz
Author

Without implementation, a strategic plan has no value. In fact, a planning process that does not conclude with implementation is tremendously harmful because raised expectations will be dashed, credibility will be lost, opponents of planning and change will be strengthened, and valuable inertia will disappear.

Transitioning from the planning team to the implementation team

In general, the same people who led the strategic planning process are responsible for overseeing its implementation. As the strategic planning coordinating/steering committee makes this transition to an implementation committee, it will find itself involved in four essential activities:

- Communication;
- Accountability and measurement;
- Establishing an early warning system; and
- Environmental scanning.

A strategic plan's implementation is seldom successful without aggressive internal and external communication. Not only must the committee aggressively communicate the plan's progress, it must also listen to the pulse of the campus to determine where the plan may be bogged down or where individuals and committees might be having difficulty.

The coordinating/steering committee is also responsible for moni-

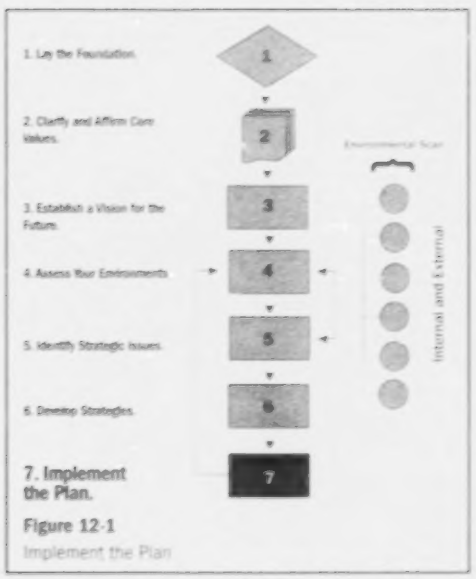
1. Lay the Foundation.
2. Clarify and Affirm Core Values.
3. Establish a Vision for the Future.
4. Assess Your Environments
5. Identify Strategic Issues.
6. Develop Strategies.
7. Implement the Plan.
Internal and External

Figure 12-1
Implement the Plan

toring the plan's progress. This includes using the plan's metrics to measure progress toward strategic goals.

An essential quality of communication is listening. The third major challenge of the implementation team is to create an early warning system. The purpose of an early warning system is to heighten the implementation team's ability to pinpoint potential problems before they become critical. This might include identifying essential task committees that have drifted from their mandate or their schedule, pinpointing individuals and even groups that are working against the plan, and even monitoring the campus grapevine. Information from the early warning system is typically used to help focus communication strategies.

Finally, the committee will oversee the campus' ongoing environmental scanning. Even though the situational analysis is done and the strategic goals have been established, there is no reason to believe that the external environment will quit evolving and changing. The external environment must be constantly monitored for new threats and opportunities. This chapter will expand on all four of these themes: communication, accountability and measurement, early warning (pulse check), and environmental scanning.

Eleven essential communication goals

C. Davis Fogg wrote an exceptional book—*Implementing Your Strategic Plan: How to Turn Intent into Effective Action for Sustainable Change*—that focuses on this final stage of the planning process: implementation. As part of his discussion, Fogg stresses that communication to support the implementation of the plan should have 11 basic goals:

1. *Communicate the strategic plan.* Describe the challenges of the outside marketplace, where you're headed in it, the case for change, the cost of failure, the strategic priority issues, and who is primarily responsible for each.
2. *Influence achievement of needed changes as quickly as possible.* In particular, you'll need to push for the "quick wins" that demonstrate progress in the early stages of plan execution.
3. *Keep strategic priorities up front.* Keep the strategic priority issues, and why they're important, constantly in front of everyone.
4. *Build and maintain a sense of high urgency.* Keep up the pressure at all levels, constantly reminding people where you expect them to be next month, next quarter, next year; what will happen if they don't meet objectives and what the benefits will be if they do. Without urgency, there will be no change.
5. *Show your enthusiasm for the plan.* Senior administrator's enthusiastic endorsement of the plan inspires people to get on board.
6. *Sell the benefits.* Tell what the plan outcomes will do for employees, stockholders, and the community; the good that will be done and the bad that will be prevented.
7. *Communicate at the point of believable action.* Although top leadership (both administrator and faculty) gives the overall framework of the plan, middle managers on both the administrative and academic sides communicate the specifics of the work to the employees who perform it. Departments are the real hubs of communication. Eighty percent of your communication effort should focus here. Faculty, staff, and administrators take their cues from what they hear, face to face, from people they trust. If you've picked carefully, you have such people in leadership positions. It's their job to translate the big picture and objectives into action at the departmental level, where most of your monetary, physical, and human assets are concentrated.
8. *Communicate in a framework employees understand.* Employ words, logic, and concepts that stakeholders can use to figure out what they can do to turn the situation to their advantage. This means focusing on how jobs will change, the learning required, job security, empowerment, cross-training, and financial benefits.
9. *Maintain a constant two-way information exchange.* Information must flow between top management and those executing critical programs and objectives such as priority issue action-planning teams and leverage managers.
10. *Widely and frequently praise significant accomplishments and those responsible for them.* Give credit generously and often.
11. *Own up to your failures, focusing on lessons learned.* You will gain credibility by being honest when you stumble, and you'll get better results next time.

Communication at three stages

Smart strategic planners take advantage of every opportunity—and create new ones—to communicate both the components of the plan and its progress.

Ideally this communication must occur at these stages:

1. At the plan "kick off";
2. Periodically throughout the plan's life; and
3. When the plan achieves short-term wins, intermediate goals, or evidences other indicators of success.

The "kick off"

One way to help assure campus-wide participation in the implementation of the strategic plan is a "kick off" gala dinner or activity. Most of us have been involved in the launching or completion of a capital campaign and well-remember the festivities and sense of excitement and energy they created. A similar "kick off" for your strategic plan will generate the same sense of organizational velocity.

Periodic updates

Another important communication strategy is periodic updates to the campus community. G. Blair Dowden, the president of Huntington College, said he thinks the key to the college's planning success has been that it holds itself accountable for carrying out the strategic plan. Every six months Huntington College publishes a report card that indicates whether they accomplished or failed to accomplish particular strategic planning action steps for that period. The report card is shared with Huntington's board, faculty, staff, and other advisory groups.

Short-term wins

Many strategic planning documents included near-term strategies that were already underway or even completed. These planners recognize the value and inertia generated by short-term wins.

John Kotter, writing in *Leading Change*, notes good short-term wins have three characteristics:

- They're visible—large numbers of people can see for themselves whether the result is real or just hype;
- They're unambiguous—there can be little argument over the call; and
- They're clearly related to the change effort.

He says short-term wins do the following:

- Provide evidence that sacrifices are worth it. Wins greatly help justify the short-term costs involved;
- Reward change agents with a pat on the back. After a lot of hard work, positive feedback builds morale and motivation;
- Help fine-tune vision and strategies. Short-term wins give the guiding coalition concrete data on the viability of their ideas;
- Undermine cynics and self-serving resisters. Clear improvements in performance make it difficult for people to block needed change;
- Keep bosses on board. Provide those higher in the hierarchy with evidence that the transformation is on track; and
- Build momentum. Short-term wins turn neutrals into supporters, reluctant supporters into active helpers, etc.

While the use of short-term wins is like stacking the deck, there is little doubt that the enthusiasm and publicity they generate early in the plan's implementation will go a long way toward helping the plan achieve critical velocity.

Robert Johnson of Albion College believes strongly in the idea of short-term wins. In a personal conversation he said,

> To help build commitment, you've got to inspire confidence that the plan is working. Imagine that you are setting off on a grand crusade … it's a long, tiring trip that requires people to stay mobilized for a long time. That's very difficult to achieve … and it's impossible without some short-term wins that are reasons for celebration along the road. The best people give their best effort to a strategic planning effort once when they are young. After that first experience, it is very hard to get them excited again, so it is wise for a president to stage manage some small wins along the way.

Philip Gilbertson of the University of the Pacific suggests that short-term wins signal to an institution that the strategic plan is "for real" and "working." The purpose of setting planning priorities is to advance the institution to accomplish its mission. The institution must be able to demonstrate that within one to two years. Persistence is important, but short-term wins give people confidence that the vision is worth pursuing.

Possible communication strategies

As you seek to accommodate the 11 communication goals advanced by Fogg, you might consider some of the communication strategies outlined below:

- Printed plan distributed with a cover letter;
- Senior and middle managers meeting to hear directly from the president and other members of the planning team;
- All-employee meeting by department to ask questions about the plan;
- Posters with planning themes and goals;
- Campus "town" meetings;
- Open-forums;
- Individual cards with statement of values, mission, etc;

- Videocassettes of the president or others as they explain the campus' vision and strategies to achieve that vision;
- Internal newsletter stories or memos/letters introducing the plan (overall, and then later one piece at a time);
- News releases and special public feature stories;
- "Report cards" each quarter to the campus and to major stakeholder groups;
- E-mail;
- Intranet; and
- Video conferencing.

Accountability and measurement

The second responsibility of the strategic planning coordinating/steering committee is to monitor the plan's effectiveness. This involves keeping track of whether or not individual strategic action plans have been completed and the accomplishment of strategic goals.

Measuring a plan's effectiveness is enhanced through a strategic goal outline that includes the metrics that will be used to measure whether or not the goal was achieved. And while the strategic action plan template does not necessarily include the individual metrics, it can be measured at a more gross level—whether you accomplished it or not.

Planning software can help develop and then monitor individual strategic action plans. Such software will be an invaluable tool at this point in the implementation process. Monitor the most important metrics through the use of quarterly reviews.

Periodic reviews

As part of the implementation process, you must undertake periodic reviews of your progress. These reviews fulfill a number of important functions. First, they help keep processes on track. Intermediate goals help quickly identify activities that are stalled or have gone awry or barriers and obstacles to implementation.

Second, these reviews will help reallocate resources. If important activities are stalled, quarterly evaluations will help you determine which activities have additional resources or even which activities might be scrapped.

Quarterly reviews will also help keep the plan and its progress on the mind of the campus community. In this way quarterly reviews can be highly motivational and allow you to identify short-term wins.

And finally, such reviews help you identify which people are supporting the plan and which people might be paying it simple lip service.

Adding and modifying action plans

The ongoing evaluation may also unearth the way your strategic action plan needs to be modified. The odds are great that you, someone from the strategic planning coordinating/steering committee, or someone else on campus will have a great idea for a new action plan or whole series of action plans after the plan is launched. This is OK. Remember, the written plan is less important than the planning process that accommodates this kind of modification.

Keeping track of dollars

The need to monitor budgets is always present. Good planning software will help you track spent and unspent dollars. In this context, monitoring costs is useful because if you discover important plans are running over, you may need to shift dollars from other, less important, action plans.

Generally, it is a much better management strategy to shift dollars within the plan than to ask for more money. This is especially true early in the plan's execution. After you have a record of success, it will be easier to ask for more money.

Early warning system

As we have seen, change can cause stress and fear. The implementation of a strategic plan can burden the very people who are already most encumbered—the institution's most talented administrators, staff, and faculty.

As a consequence, it is important to establish an early warning system that allows you to continually monitor the pulse and mood of the campus. This early warning system may include such formal activities as routinely meeting with campus leaders and informal activities such as monitoring the campus grapevine.

One strategy that is very effective is the beat system. Much like what reporters use to cover specific areas, a beat system requires systematic and regular visits to key departments on campus.

The purpose of an early warning system is to focus on the mood of the campus rather than monitoring how well your plan is working. However, you will quickly discover that these two areas are inextricably linked.

Environmental scanning

Even though the strategic plan has been rolled out and implementation is underway, it is important to keep mon-

itoring internal and external environments. This monitoring is especially important during the early stages of implementation, when the organization is preoccupied and may neglect, in this time of "blur," its environmental monitoring. It is also important in the time prior to undertaking a periodic revision to the plan. The continually scanning of your external environment is essential for ongoing strategic decision making.

Strategies for overcoming resistance

There is a fine line here between people who simply don't care and those who resist the plan. And while every effort should be made to involve as many people as possible in the creation and implementation of the plan, don't waste a lot of time on the people who simply don't care.

There is a profound difference between faculty members who resist a plan's implementation and administrators and staff who are merely against it. There is also a difference between faculty leaders and faculty who are not in leadership positions.

Table 12-1 offers advice on how to deal with resistance among these key constituencies. While some strategies may appear draconian, keep in mind what is at stake. You've concluded a process that has taken a year or more, consumed hundreds of hours, and heightened expectations of thousands of stakeholders. This planning process has sought participation at every level and has been approved by multiple campus stakeholders. To balk at the aggressive implementation of the plan is to undermine the energy, talents, hopes, and aspirations of the entire campus community.

Keeping your eye on the goal

Speaking from the perspective of a college president, John Roush of Centre College reminds us that strategic plans are more likely to live up to expectations if the president does the following:

- Insists on an honest, collaborative process involving all the major constituents on campus.
- Surrounds himself or herself with high-quality people and gives these men and women the authority to "do the work."
- Makes certain there are no secrets.
- Understands—and, when given the opportunity, reminds others—that the planning process is as valuable as the planning document itself.
- Uses the planning process to establish a "shared will," not just a shared vision.
- Insists that the goals and objectives are carefully writ-

Table 12-1
Strategies for Overcoming Resistance to the Plan

Group	Strategies
Senior administrators	If these administrators are highly talented, then every effort must be made to identify why they are resisting the plan. If, after a period of time, avenues to increase their participation cannot be found, these administrators, because of their senior position, must be either retired or released. To fail to act aggressively when senior administrators do not support the plan is to send a signal that the plan is not that important.
Middle management	Like senior managers, an effort must be made to determine why middle managers do not support the plan. If you cannot find a way to involve them—especially those who are involved in key implementation areas—you have four options: 1. Place them elsewhere in the organization. 2. Have them report to a manager who is committed to the plan and who is able to develop reasonable metrics to measure their performance. 3. Have these middle managers compete anew for their positions. Set rigorous job and behavioral requirements and review performance frequently. 4. Replace them.
Faculty leaders	Working with faculty leaders is a bit more challenging. Instead of overt pressure, your best strategy is to use faculty leaders who are supportive of the process to work with faculty leaders who are not supportive. The job of faculty leaders is to meet with the recalcitrant faculty to determine their reservations and concerns. In some cases, there may be some misinformation than can be cleared up. At the same time, some reluctant faculty can be brought on board if they more completely understand how the plan will benefit them and their department. While you may never have the complete support of all faculty leaders, you must work to have the active support of the most vocal.
Other faculty	The best way to increase the support of faculty who are not leaders is to work through the faculty leadership. If faculty leadership is supportive of the plan, other faculty tend to be as well.

ten, measurable, and represent a thoughtful mix of high aspiration and common sense.
- Makes sure that the financing of the plan is presented as an essential component of the process.
- Stays engaged in the process—leading by example.
- Looks for ways to make this important effort seem like play whenever possible.

Getting ready for the next time

Recognizing that strategic planning and assessment are ongoing, it is useful, even as your newly completed plan is being implemented, to conduct a basic postmortem on the just-completed planning process. As you might imagine, there is no prescriptive postmortem process. However, Appendix I contains a series of questions and exercises that might help evaluate it and allow the necessary retooling to take place before updating the plan.

Conclusion

This chapter establishes four recurring and essential themes of implementation:
- Communication,
- Accountability and measurement,
- Establishing an early warning system, and
- Environmental scanning.

The success of your plan rests upon this four-legged stool. If one leg is missing, the stool will begin to wobble and eventually topple.

Additional reading

If you can read only one book on implementing the strategic plan, I would suggest C. Davis Fogg's *Implementing Your Strategic Plan: How to Turn Intent into Effective Action for Sustainable Change*. It is a thorough, readable, and highly adaptable look at the pitfalls and possibilities of implementing a plan. The chapter on implementation in Leonard Goodstein et al.'s *Applied Strategic Planning* is also very useful. At this final stage in the strategic planning process, I suggest reading about change and teamwork. First, William Glick and George Huber's *Organizational Change and Redesign: Ideas and Insights for Improving Performance* is excellent as is Jon Katzenbach's *Teams at the Top: Unleashing the Potential of Both Teams and Individual Leaders*. You might also want to read Linda Moran et al.'s *Keeping Teams on Track: What to Do When the Going Gets Rough* or Glenn Parker's *Cross-Functional Teams: Working With Allies, Enemies, and Other Strangers*. My final recommendation is Jeannie Morelock's chapter on internal communication in CASE's *Integrated Marketing Communication: A Practical Guide to Developing Comprehensive Communication Strategies*.

CHAPTER 13

Conclusion

"We never know how tall we are till we are called to rise. And then, if we are true to plan, our statures touch the sky."

— Emily Dickinson
American poet

In some respects this final chapter feels like the conversation parents have before sending their son or daughter off to college. At that point most of the child rearing is done, but there is still a strong temptation to remind the child of the most important things. With that in mind, here are the things to remember about strategic planning.

Strategic planning is a people thing

Above all else, strategic planning is a people thing. While process is important, it is the people who create, advance, and execute the process that give it life. Your people—faculty, staff, administrators, and others—must understand the compelling need for strategic planning and must be able to envision its benefits. They must be willing to give up a little time and turf so that the institution as a whole moves forward. Without their support, any process, no matter how well-tuned, will fail. The reason that most change efforts are derailed is because they focus on processes and not people. Systems won't change if people won't cooperate. People are the gatekeepers of change.

Strategy as attitude

Daniel Rowley et al. remind us that one of the most important outcomes of strategic planning is the decision-making process it creates. This shaping change process is characterized by the strategic thinking and strategic decision-making skills developed early in strategic planning. For example, when enrollment issues are addressed and key performance indicators are identified, approaches for shaping change emerge from the assessment and analysis of strengths, weaknesses, opportunities, and threats. Enrollment strategies spawn ideas about the curriculum needed to serve students, which in turn triggers academic program planning. Shifts in academic programs have

budgetary effects, etc. Rowley et. al continue,

> While the document can signal a coming together of each phase of the process, it cannot become the sole basis for planning. More important than the document are the insights its development triggered, the understandings created among participants about how to accomplish desired outcomes, and the exposure it gives to the strategic thinking that underpins the plan. Certainly the participatory process underscores these outcomes. The process has been important in preparing planners at a variety of levels to produce a document, and the process also goes beyond the document that signals whether or not strategic planning has been effective or successful. Process is a bridge that educates those involved in planning about how to link planning to action and action to change.

Why strategic plans fail

Based on my experience and the experience of practitioners such as Doug Thompson in *When Strategic Planning Fails*, there are four reasons why strategic plans fail:

- Lack of participation,
- Lack of communication,
- Poorly thought-out strategy, and
- Failure to hold people accountable.

Lack of participation

The most effective strategic plans are those that have the broadest input. For this reason, the strategic planning process is neither driven from the top or the bottom. Rather, it is system-wide. It aggressively seeks the input of a broad spectrum of stakeholders. More than simply listening, it seeks dialogue and pursues—and even rewards—involvement.

Lack of communication

The second primary cause of failure is a lack of communication. As this book has stressed repeatedly, if communication does not occur early, often, and constantly, then the plan will become detached from the people who must implement it, as well as the people whose support you need to make it happen.

Sadly, this level of communication is missing at many colleges and universities. Rather than true communication that involves active listening, too many colleges and universities stress downward communication. As one faculty member once told me, this kind of communication is not really communication at all, but simply telling.

Poorly thought out strategy

Is there such a thing as a perfect strategy? Probably not. But some strategies are clearly wrong. Consider the local college that sets a strategic goal to become nationally known. Or the nonresidential campus that decides to build dorms. Or the small, nondescript private that seeks to raise $75 million in their first capital campaign. These goals are all strategic, but not founded on a clear assessment that establishes a realistic range of possibilities.

While strategies should flow from a vision of success, they must also reflect the mission and institutional context. Resist the temptation to use strategy as a chance to expand the mission. Rather, use it as a chance to refine it.

Failure to hold people accountable

It takes courage and patience to implement a plan. Not only must the broad strategies be enacted, but the everyday strategic action plans must be put in place as well. One of the biggest challenges in the implementation of strategies is the absence of consequences for non-compliance. David Maister cautions that if you don't tackle the people who break the rules, then everyone else soon realizes that the new strategy was not that important. Everyone is watching for signs. It is the tone at the top that will set the pattern for the rest of the organization. When one department head is allowed to deviate, it makes it that much easier for the next one. Soon the strategic plan no longer has any integrity. If changes to the plan are necessary, then they should be made formally, so that everyone recognizes that a change is happening. This allows the integrity of the plan to stay intact and keeps the message clear.

Ensuring success

Robert Glenn believes there are five overarching strategies for assuring the success of your plan.

First, he says, engage funding entities and other external stakeholders in meaningful dialogue about the institution and its future, and in building "strategic partnerships." While the need for stakeholder input has been widely recognized as an important part of the planning process, the need for moving beyond mere input to the concept of strategic partnership with these groups has been less acknowledged. Some institutions have unfortunately, actually created "firewalls" between such groups and the planning process; effectively keeping "outsiders" from more than a token involvement. Yet precisely this kind of partnership is needed to enable institutions to plan with more confidence, provide increased knowledge about constituent needs, and increase commitment to the institution and its future.

A second strategy is to aggressively seek opportunities to redeploy current resources. When institutions view current expenditures as fixed, the first and most easily obtainable source of discretionary capital is overlooked. An effective planning process identifies all opportunities for freeing up dollars for new areas of strategic importance and leverage. These determinations are made through an objective, analytical assessment of the effectiveness and efficiency of each area that looks for ways to cut costs, streamline processes, reduce duplication of effort, and increase productivity. Strategies such as academic program restructuring, organization/process redesign, technology substitution, outsourcing, and creation of shared service entities typically emerge from such analyses. While such initiatives may require an initial investment, they should also demonstrate a rapid payback and attractive long-term return on investment.

A third strategy is to identify and evaluate other promising sources of tuition revenue growth. Tuition-dependent institutions may need to think more creatively about strategies for increasing tuition revenue growth. Annual increases in tuition rates above the rate of inflation have become increasingly predictable and onerous. Furthermore, as institutions approach the capacity of current classroom and dormitory facilities, it becomes more difficult to simply add students. In such cases, the planning process needs to incorporate an explicit examination of alternatives to these traditional strategies. Strategic alternatives may include these:

- Joint academic programs with other departments/colleges or peer institutions.
- Programs targeted for specific audiences, such as business executives or physicians.
- Distance learning.
- Internships and co-op programs.
- Evening, weekend, and summer programs.
- Professional development programs and other noncredit offerings.

A prerequisite to the exploration of these and other revenue alternatives is the ability to understand in detail the costs involved in delivering both current and proposed educational products and services. Since most campus accounting systems do not effectively accumulate or track costs by product/service line, special cost studies may be required to support such analysis.

Reiterating the important role of the president in the strategic planning process is a fourth strategy. As structured planning has become more commonplace within higher education, the processes for plan development have incorporated the collaborative, participatory style of decision making that characterizes most campuses. Widespread participation is not altogether bad, since it effectively builds support and consensus for the planning agenda. However, in so doing, the vital role of the chief executive officer in the planning process must not be diminished or overlooked.

And finally, make strategic planning an integral part of an ongoing performance management process, not a periodic exercise. If strategic planning is to be useful, the process must be viewed as more than a bureaucratically mandated ritual recurring every few years and then receding from the institutional consciousness until its next resurrection. Neither must it be viewed as the province of an "institutional research and planning" unit, to be accomplished by staff functionaries and then perfunctorily blessed by the leadership.

Instead, strategic planning should be seen for what it is—the vital work of setting institutional goals and determining how to achieve them. As such, it is the essential responsibility of leadership at every level from the chief executive to unit heads and department chairs. Leadership's role in the planning process must be both central and continual if the resulting plans are to be both visionary and relevant to the institution's real issues.

SHEEP IN WOLVES' CLOTHING

One of my favorite articles on strategic planning is Rebecca Stafford's "Sheep in Wolves' Clothing, or How Not to Do Strategic Planning." She concludes this wonderfully insightful and direct article with seven suggestions on how to make your planning process, and plan, more successful:

- The vision or mission statement should define precisely the principal business of the college or university.
- An action strategy should be based on a thoughtful and credible assessment of the future environment for the school.
- The strategic plan should build on the strengths of an institution and seek to eliminate weaknesses.
- The strategic initiatives in a plan should be few and quite specific.
- The plan should contain new courses of action in priority order.
- The strategic plan should suggest areas where the university can trim expenses and which programs should be reduced or discontinued.
- The strategic plan should always include estimates of the costs of the strategic initiatives.

The long view II

Even as we wrestle with myriad challenges and opportunities that face our institutions and consider how strategic planning might benefit us, it is important to keep the long view in mind. In doing so, consider an observation about colleges and universities once made by Clark Kerr:

> Taking as a starting point 1530, when the Lutheran Church was founded, some 66 institutions that existed then still exist today in the Western world in recognizable forms. [They are] the Catholic Church, the Lutheran Church, the parliaments of Iceland and the Isle of Man, and 62 universities. Universities in the past have been remarkable for their historic continuity … and have come out less changed than almost any other segment of their societies.

In our rush to adopt and change, to react and move forward, this is an observation well worth remembering.

We may, as Ray Bacchetti did (see intro), occasionally need to be reminded that higher education is not as important as we think it is. But we can take solace in knowing that it is more important than everyone else thinks it is.

And whether our playing fields be square or round and whether our goals be singular or multiple, a society without strong colleges and universities is unimaginable.

A truly effective strategic planning process will always benefit colleges and universities by making them stronger, and more resilient. I hope it will also make them more responsive to the society and communities they serve.

Additional reading

I encourage you to read four favorites that speak to the very real human dimensions of planning and managing. Jerry Harvey's *The Abilene Paradox and Other Meditations on Management,* Richard Farson's *Management of the Absurd: Paradoxes in Leadership,* Charles Handy's *The Age of Paradox,* and Charles Lindblom's chapter in *Public Policy: The Essential Readings* are excellent.

Appendices

Appendix A

Strategic Planning Documents

As part of the research for this book, mission, vision, and strategic planning documents from the following institutions were reviewed, and often used as examples. Many of these documents were shared with me by colleagues and several I found on the Internet. All were immensely helpful in giving me a "big picture" view of strategic planning at colleges and universities.

- Abilene Christian University
- Albright College
- Albuquerque Technical Vocational Institute
- Arizona, University of
- Austin Community College
- Bowling Green State University
- Brenau University
- British Columbia University
- Castleton State College
- Centre College
- College of William and Mary
- Colorado State University
- Connecticut College
- Cornell College
- Cornell University
- Cuyamaca College
- Dickinson College
- Doane College
- Embry-Riddle Aeronautical University
- Florida Institute of Technology
- Franklin Pierce College
- Georgia Virtual Technical Institute
- Georgia, University of
- Hamline University
- Henderson State University
- Houston Baptist University
- Huntington College
- Indiana Wesleyan University
- Iowa, University of
- James Madison University
- Kent State University
- Kings College
- Lane Community College
- Louisville, University of
- Maryland, University of
- Messiah College
- Midwestern University (Illinois)
- Missouri-Kansas City, University of
- Montana, University of
- Mount Holyoke College

- Mount Vernon Nazarene College
- Nebraska, Omaha, University of
- Nevada-Reno, University of
- New Haven, University of
- North Carolina-Charlotte, University of
- Northeastern University
- Northern Iowa, University of
- Old Dominion University
- Oregon State University
- Polytechnic University
- Rice University
- Richmond, University of
- Rutgers University
- Saint Leo University
- Salem Community College
- Santa Clara University
- Simpson University
- South Florida, University of
- Southern Oregon University
- Temple University
- Valparaiso University
- Virginia Commonwealth University
- Wake Forest University
- Weber State University
- West Indies, University of
- William-Jewell College
- Wright State University

Appendix B

Terms and Definitions

(In addition to the author's own work, sources for these definitions include work by Henry Mintzberg, George Keller, Daniel Rowley et al., Leonard Goodstein et al., and John Bryson.)

Action. See strategic action.

Aligning. Recognizing the relationship between your institution and the external environment, and seeking to "match" internal strengths with external opportunities and thereby heighten the flow of resources to the institution.

Coordinating/steering committee. The administrative and faculty leaders who oversee the strategic planning process. Members of the coordinating/steering committee typically also serve as either chairs or members of the essential task area committees.

Core competencies. Salient strengths of an institution; something that a college or university does better than other institutions.

Core values. Those enduring beliefs that your institution—and the people who inhabit it—hold in common and endeavor to put into action. Core values guide your institution's faculty, staff, administrators, and to some degree students, in performing their work. Values can be relatively informal yet still enduring. Values lead individuals within organizations to believe that some goals or ends are more legitimate or correct and other goals are illegitimate or wrong.

Customer. Those who must be satisfied in order for the organization to achieve results. Customers are, either directly or indirectly, one of the most important sources of resources for the organization. Your most important customers—students—are the individuals whose life is changed through the organization's work. Secondary customers are faculty and staff, alumni, donors, and partners. To one degree or another, customers are also stakeholders.

Decision making. The act of choosing one alternative from more than one in a timely fashion. The decision-making process includes recognizing and defining the nature of the decision, identifying alternatives, choosing

the "best" alternative, and putting the decision into practice.

Driving forces. Environmental factors that impact an institution and initiate change. Driving forces generally include: a major threat or pressure from the external environment, an unanticipated opportunity, an internal crisis or set back, or new leadership.

Environment. The political, economic, educational, social, and technological domains within which the college or university resides.

Environmental scan. A process for discovering and documenting facts and trends in the external environment that are likely to affect the organization in its future work. Environmental scan findings are used as part of the ongoing assessment function.

Essential task areas. A key institutional process or activity. In most cases, essential task areas are extensions of existing committees on campus. Essential task area committees and their members are used throughout the planning process, especially at the situational analysis stage, and often are involved in the plan's implementation. For our discussion, we will focus on nine essential task areas:

- Academic affairs.
- Student recruiting and financial aid.
- Student development/retention.
- Institutional advancement and alumni relations.
- Facilities planning.
- Finance and budgeting.
- Information technology.
- Marketing, communications, and image.
- Human resources.

Goal. See strategic goal.

Integrated marketing (IM). A listening-first, database-dependent, approach to marketing that includes a willingness to segment and coordinate such strategic assets as product (customer), price (cost), and place (convenience) to develop effective promotion (communication) strategies for key target audiences.

Integrated marketing communication (IMC). A comprehensive, coordinated, institution-wide effort to communicate mission-critical values and messages in ways that target audiences notice, understand, and respond to. IMC stresses data-driven segmentation, message integration, and evaluation

Key performance indicator. See metric.

Mandate. A guide for individual and organizational behavior. Generally more formal than core values, they are sometimes prescriptive in nature and may be directly tied to laws, bylaws, ordinances, articles of incorporation, charters.

Metrics. A measure of a current state and a measure of progress toward a specific goal. Metrics might include enrollment, discount rate, faculty productivity, endowment, and other measures. Also called key performance indicators (KPI).

Mission statement. A declaration of organizational purpose (why it exists) and values; its *raison d'être*.

Performance measure. A means of quantitatively and/or objectively assessing the results of programs, products, projects, or services. See metrics.

Planning. A process of selecting a rational course of collective action to achieve a future state of affairs. It includes assessing the present state, setting goals, gathering and analyzing information, evaluating information, making decisions, and acting.

Priority. An established sequence by order of importance or urgency.

Resources. An asset such as time, talent, dollars, or public attention.

Scenario planning. The anticipation of and planning for events that might help or harm an organization. For example, a crisis plan is a type of scenario plan that guides an organization in a time of peril.

Short-term win. An intermediate goal that has both practical and psychological importance. Short-term wins help establish the sense that the plan is moving forward.

Situational analysis. A precise and careful look at the institution and its environment to determine the primary external opportunities and threats, and the primary and related internal strengths and weaknesses. Instead of

strengths, weaknesses, opportunities, and threats, some situational analyses focus on problems and opportunities.

Stakeholder. Any person, group, or organization that can place a claim on an organization's attention, resources, or output, or is affected by that output. Examples of stakeholders include college and university faculty, administrators, faculty, current students, and alumni.

Strategic action. Doing something in a specific way to produce a desired effect or to achieve a strategic goal. Strategic actions are sometimes called "tactics" and are outlined in strategic action plans, which detail who, what, when, where, and how.

Strategic goal. What the organization wants to accomplish or become over the next several years. Goals enable the organization to fulfill its strategic vision. Goals are sometimes called "objectives," "initiatives," and "directions."

Strategic issue. A fundamental policy choice affecting an organization's mandates, mission, values, product or service level and mix, clients or users, cost, financing, organization, or management.

Strategic planning. A disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it. It is a process through which the leaders of an organization envision its future and develop the necessary procedures and operations to achieve that future.

Tactics. See strategic actions.

Values. The principles that underlie and guide how an organization goes about fulfilling its mission. Values are generally long-term and enduring.

Vision. An expression of what an organization wants to be and do in the coming years. A picture of the organization's desired future.

Vision statement. A description of what an organization will look like if it succeeds in implementing its strategies and achieves its full potential.

Appendix C

Sources of Data

We have more data at our fingertips today than in any other period of time. However, data do not always equal information and perspective. With this in mind, I am departing from my usual tack of listing page after page of resources to focus on the small handful of organizations and associations, Web sites, and periodicals that I turn to most often.

As you review this list, keep in mind that many sources have multiple formats. For example, *The Wall Street Journal* is best known as a newspaper. However, it also has a very useful Web site.

Organizations and associations

- American Association of Collegiate Registrars and Admissions Officers (*www.aacrao.org*)
- American Council on Education (*www.acenet.edu*)
- American Marketing Association (*www.ama.org*)
- Association of Governing Boards (*www.agb.org*)
- Carnegie Foundation for the Advancement of Teaching (*www.carnegiefoundation.org*)
- College Board (*www.collegeboard.org*)
- Conference Board (*www.conference-board.org*)
- Council for Advancement and Support of Education (*www.case.org*)
- Council for Aid to Education (*www.cae.org*)
- Council of Christian Colleges and Universities (*www.gospelcom.net/cccu*)
- Council of Independent Colleges (*www.cic.edu*)
- Direct Marketing Association (*www.the-dma.org*)
- Education Commission of the States (*www.ecs.org*)
- EDUCAUSE (*www.educause.edu*)
- Electronic Policy Network (*www.epn.org*)
- National Association of College and University Business Officers (*www.nacubo.org*)
- National Association of Higher Education Management Systems (*www.nchems.com*)
- National Association of Independent Colleges and Universities (*www.naicu.edu*)
- National Association of State University and Land Grant Colleges (*www.nasulgc.org*)
- National Association of Student Personnel Administrators (*www.naspa.org*)
- National Center for Policy Analysis (*www.ncpa.org*)
- National Center for Public Policy and Higher Edu-

cation (*www.highereducation.org*)
- National Education Association (*www.nea.org*)
- National Society of Fundraising Executives (*www.nsfre.org*)
- Pew Charitable Trusts (*www.pewtrusts.com*)
- Postsecondary Education Opportunity (*www.postsecondary.org*)
- Public Agenda OnLine (*www.publicagenda.org*)
- Western Interstate Commission on Higher Education (*www.wiche.edu*)

Search engines and Web sites

- ERIC Clearinghouse for Higher Education (*www.askeric.org*)
- Futures Web Sites (*www.ag.Arizona.edu/features/futfutweb*)
- Higher Education Abstracts (*www.cgu.edu/inst/hea*)
- *Links2go.com*
- *Northernlight.com*

Government agencies

- National Center for Educational Statistics (*www.nces.ed.gov*)
- U.S. Bureau of Labor Statistics (*www.bls.gov*)
- U.S. Census Bureau (*www.census.gov*)
- U.S. Department of Commerce (*www.doc.gov*)
- U.S. Department of Commerce/Bureau of Economic Analysis (*www.bea.doc.gov*)
- U.S. Department of Education (*www.ed.gov*)

Newsletters and/or periodicals

- American Demographics (*www.americandemographics.com*)
- Business Week (*www.businessweek.com*)
- Change (*www.aahe.org*)
- Chronicle of Higher Education (*www.chronicle.com*)
- Chronicle of Philanthropy (*www.philanthropy.com*)
- CURRENTS (CASE) (*www.case.org/currents*)
- Economist (*www.economist.com*)
- Fast Company (*www.fastcompany.com*)
- Futurist Magazine (*www.wfs.org/futurist*)
- Kiplinger Washington Letter (*www.kiplinger.com*)
- NonProfit Times (*www.nptimes.com*)
- Philanthropy Journal OnLine (*www.pj.org*)
- Philanthropy News Digest (*www.fdncenter.org*)
- University Business (*www.universitybusiness.com*)
- Wall Street Journal (*www.wsj.com*)
- Wired (*www.wired.com*)

Appendix D

Rice University: The Rationale for Planning

Rice University Strategic Plan

(*www.ruf.rice.edu/~provweb/plan/needchange.html*)

This is reprinted here with permission of President Gillis of Rice University.

Our successes notwithstanding, Rice University faces serious challenges in the years ahead that will require a substantial, sustained commitment to planning for our future. Some of these challenges arise out of the inherent tensions within the founding vision of the university; others arise out of a rapidly changing national and international context.

The internal rationale for planning

Lovett's ideal [Lovett was the founder of Rice] was that Rice be a small undergraduate institution dedicated to a broad-based education of the highest order, that is, a liberal education in letters, sciences, and the arts that would serve our students well as leaders in a free society, and at the same time, that it be a world-class research university, dedicated to intellectual inquiry and committed to the discovery of in-depth knowledge at the leading edge of specialized fields. At its best, Rice combines both.

Today, Rice is truly a unique university, unlike any other. We stand virtually alone as the only research university of such small size, high stature, and balance across disciplines. While others, such as the technical institutes have achieved distinction by limiting their activities to specific fields of endeavor, we are unique in offering a full range of programs in the sciences, engineering, humanities, social sciences, and the three professional schools of architecture, business, and music. When outsiders first learn about Rice they are frequently astonished that we can be so small and yet do so much with such distinction.

From its inception, Rice has used its small size to advantage. The close personal interaction between faculty, students and administrators, the many cross-disciplinary programs of research and instruction, and the ability to integrate research and teaching are all more readily accomplished in a small collegial setting than in a large multiversity. A highly selective student body and a substantially greater resource base per student are also a direct consequence of this simple strategy. Although less obvious, the institution also benefits from an administrative structure that is much leaner and perhaps more efficient than in comparable universities; decisions can be made more expeditiously and with ongoing consultation with the Board

and more involvement of the faculty than is possible in a larger university. Adapting to change is generally easier in a small institution than in a large one as well.

The strategies that have sustained Rice's advancement through most of the 20th century are these: emphasize quality; remain small; offer a broad menu of instruction and research; and provide an affordable education to the brightest students regardless of their ability to pay. Although this combination of strategies has served us well in the past and accounts for much of our current level of distinction, they will not by themselves suffice to carry us where we want to go. They require reexamination. We have always understood that Rice, as a small institution can never be all things to all people. We must reaffirm the principle that we choose to not engage in some areas so that we can excel in those that we do choose to pursue.

While these strategies remain generally valid, we have not always implemented them well. Close scrutiny of our many programs of instruction and research reveals a mixed record. While some have achieved a very high level of distinction, others have not. This is especially evident at the graduate level. The recent ranking of graduate programs by the National Research Council showed that, while Rice has substantially improved over the decade since the last review was conducted, we still lag well behind our competition in most areas. What is even more striking is that most of our individual graduate programs do not rank as well as our undergraduate programs nor as well as the overall ranking of the institution as a whole. Although size correlates with external perceptions and may account for some of the results, it is clear that, like almost all other top-caliber universities, we have not succeeded in uniformly building strong graduate programs across a wide range of disciplines. To further enhance quality, we will need to make difficult decisions concerning the nature and range of our programs and the allocation of our limited resources. This report provides guidance for those decisions.

The external rationale for planning: public support of higher education

Once the privilege of a small number of students, college has long been the natural next step after high school. Today, two-thirds of high school graduates enroll in colleges and universities. The growth of higher education since World War II has greatly expanded the number as well as the variety of institutions of higher education. The most striking development has been the burgeoning of public systems of higher education in every state. Where research activity was once concentrated in a few well-established European and American universities, it now extends to a multitude of educational institutions.

The forces behind this development, include above all the infusion of federal funds to support research, especially in the sciences and engineering. Prior to World War II, the government spent a total of $70 million annually for research and development, of which little went to universities. Today, the total has increased a thousand fold—to $70 billion, with about $14 billion for universities, an increase in federal support that has far outpaced inflation and the growth in Gross Domestic Product.

The high level of federal funding for research and doctoral programs has not been cost-free for research universities. Quite the contrary. The rapidly growing postwar educational system needed more and more Ph.D.s and large numbers of doctoral candidates to serve as indispensable junior members of funded research teams. Federally-funded research led inevitably to major outlays by the recipients—investments in expensive new facilities and equipment, in additional faculty researchers, in support personnel and compliance, and in increased student aid and library holdings, among other cost drivers.

At the same time, other forces contributed to the marked escalation in the cost of operating universities—rising costs of complying with federal laws and mandates, faculty expansion and improved salaries, significant capital expenditures, and increased services to students. These rising costs coincided with diminishing rates of growth of federal financial aid. In the face of rising costs and weakened federal aid support, most institutions of higher education resorted to tuition increases well in excess of the normal inflation levels. For a time, this practice could be tolerated, in part because enrollments continued to rise, in part because institutions offered discounts in the form of financial aid to those who could not afford to pay the full cost.

Higher education has now entered a new phase. The postwar expansion has come to an end. Public institutions have been hit by cutbacks in state budgets and are growing more slowly. The federal government is unlikely to continue supporting university research at former levels. Some educational and research authorities are predicting a decline in real-dollar support for university-based research. The competition for increasingly scarce resources has become more aggressive, especially on the part of tax-supported public institutions. Many universities, including outstanding ones, have introduced cost-cutting and downsizing measures similar to those practiced by many cor-

porations. In such an environment, Rice University will have to manage its resources with even greater care than before.

Advances in technology

The rapid spread of information technology has perhaps more profound implications for higher education than for society as a whole. While the ultimate impact on the educational process is still unknown, it will be far-reaching. Some argue that information technology will radically transform, or perhaps marginalize, the traditional university. Those who hold this view contend that universal access and interactive networking will no longer require teacher and student to be in the same place, or in direct communication. They suggest that faculty, administration, and even facilities can be outsourced through a free market for educational services—in short, that the traditional university will be replaced by a "virtual campus."

No doubt, in the pursuit of innovation or cost-saving, some institutions will aggressively pursue the model of the electronic university-without-walls, seeking to provide greater access to information and programmed learning while cutting back on face-to-face interactions among students and teachers. At Rice, we have welcomed the new technologies for the many possibilities they present, and we will be challenged to find new financial resources to help us acquire them. Yet, as we are guided by our basic mission and vision of Rice as an educational environment where students are challenged to defend their ideas directly by experienced scholars and fellow students—an environment where they benefit from the constant interchange of ideas guided by disciplined perspective and critical inquiry. It is not just information that we seek or wish to communicate to students. Rather, we seek to foster the interchange of ideas, a culture that prizes asking questions, posing problems and seeking their solutions. This is a time-consuming process that requires close interactions between faculty and students. Keeping true to our basic mission, we must aggressively seek the selective deployment of technology in areas where it can enrich and even change the nature of education. This will require substantial investment and careful planning to ensure that Rice is a leader in innovative uses of information technology in instruction, research, and the operation of the university.

Diversity and internationalization

In the last few decades, the face and character of American society has been profoundly altered by demographic, cultural, and economic shifts. Because we expect such changes to continue, we must plan for them to be reflected in our curriculum and in our residential life so that through their studies and their interaction with teachers and students of different beliefs, cultures, and backgrounds, Rice students will be prepared to perform successfully in the global communities of business, science, government, education, and the arts.

The changing nature of work

Until fairly recently, a college education provided the intellectual foundation for a successful lifelong career. In the first decades after the Second World War, graduates could reasonably expect that what they had learned in college would serve as a solid basis for a productive career of thirty or forty years. Today, the rate of change in our society—in technology, in communications, in methods of business, manufacturing, research, and teaching—is so rapid that the skill set for success in any given field may have a shelf-life of only a few years. Today's graduate needs continually to "retool," if only to remain current in the labor market. In response to this accelerating rate of change, we as educators must not only teach our students those skills necessary for a productive, rewarding life today, but also provide them with the intellectual underpinnings and critical faculties necessary to succeed in our ever more rapidly changing world.

To meet the challenges arising from the world outside of the university, and to satisfy the goals depicted above, careful planning will be crucial if we are to maintain the proper balance between a liberal education of the highest quality and consistently superior research and graduate training programs. Achieving this balance will be essential to maintain and enhance Rice's standing in an increasingly competitive world of constrained resources in higher education.

Appendix E

Qualities of a Champion and a Leader

This appendix is a "catch-all" of different thoughts and expectations on champions and leaders.

Three essential skillsets of the planning champion

While working with and through the strategic planning team, there are three skillsets the champion will depend on most:

- Champion as leader,
- Champion as delegator, and
- Champion as facilitator.

The champion as leader

The strategic planning team champion is the team leader. It is her or his responsibility to set the tone and timbre of group interaction and dynamics. Of particular importance is the champion's need to lead the strategic planning team. Glenn Parker says a team is an eclectic group with a variety of backgrounds, priorities, and interests—people who, given a choice, probably wouldn't work with one another.

This is often a valid description of a strategic planning team, and for the team to be successful, the champion must exhibit what Parker calls process skills, including

- asking questions that will generate ideas and stimulate discussion;
- paraphrasing and using other listening skills to promote effective communication;
- managing discussions so that unassertive members will contribute ideas, outspoken members won't take over, and you can show that you value each person's input;
- creating a climate where members feel comfortable expressing their views;
- helping to reach decisions through consensus;
- involving all members in setting goals;
- ensuring that team members show respect to one another;
- celebrating accomplishments; and
- motivating team members through recognition, job assignments, and other techniques.

The champion as delegator

As important as the champion as leader is the champion as delegator. Few tactics for team building are more efficient and effective than delegation. Delegation allows the champion to focus on the tasks that he or she can best complete, and the increased responsibility and recognition empower team members and bond them more tightly to the planning process.

There are several good books and articles on delegation, but Robert Nelson's *Empowering Employees Through Delegation* is particularly helpful because it looks at delegation not simply as a way to reduce your workload but as an important strategy to empower those to whom you are delegating.

Nelson outlines several checklists and guides that are worth reviewing, including this delegation-planning checklist:

- Develop a good attitude;
- Give up some control;
- Take risks;
- Trust your team members;
- Stay calm and patient;
- Decide what to delegate;
- Delegate whenever possible;
- Delegate to both experienced and inexperienced employees;
- Consider skill, motivation, and workload;
- Select the right person;
- Match skills and interests with tasks;
- Motivate your employees;
- Communicate responsibilities to team members;
- Set and prioritize clear goals;
- Share possible pitfalls;
- Set performance standards;
- Grant the appropriate level of authority;
- Decide how much to give;
- Inform team members of their authority;
- Provide the appropriate level of support;
- Tell the team what each member is doing;
- Let your team know how and when you can help;
- Share your resources;
- Monitor the delegation;
- Record employees' progress;
- Ask for feedback on how you're delegating;
- Evaluate the delegation;
- Compare results with goals;
- Evaluate the employees' role; and
- Discuss and give feedback.

The champion as facilitator

The final quality is the champion as facilitator. In this role, the champion seeks to work and lead through other people rather than serving a more obvious role. This spreads ownership, heightens the abilities of the members of the

planning teams, and generally leads to a more effective planning process.

Leadership culture at Macomb Community College

To maximize overall institutional effectiveness, the members of the Macomb Community College manager's group are committed to creating a culture that values leadership, accountability, and professional responsibility. Within that culture, managers are expected to demonstrate these qualities:

Respect for all individuals

- Recognize all staff as being equally important to the success of the college;
- Respect the value of ideas, whether implemented or not;
- Afford equal professional treatment to all levels of staff;
- Respond impartially, courteously, and candidly;
- Consider the human impacts of actions and decisions; and
- Show sincere interest in others.

Institution first

- Place the improvement of the college above personal interests;
- Make decisions based on college mission and priorities; and
- Focus on students and ways to increase their success.

Integrity

- Search for and value truth in all endeavors;
- Give and return trust;
- Be honest and direct in dealing with others;
- Keep colleagues' confidences; and
- Follow through on commitments.

Communication

- Listen for understanding and with genuine interest;
- Respond thoughtfully and in a timely manner;
- Communicate clearly, directly, and honestly;
- Encourage the open expression of ideas and opinions throughout the institution; and
- Use communication technology effectively.

Empowerment

- Coach and mentor staff;
- Delegate authority and hold staff accountable;
- Encourage alternative ways of achieving similar goals;
- Give and seek full information and candid feedback;
- Clarify roles, responsibilities, and timelines; and
- Deploy available resources effectively.

Courage

- Do the right things and do them well;
- Be open to new ideas;
- Take calculated risks;
- Encourage actions that validate institutional values;
- Question status quo practices with intent to improve; and
- Champion new initiatives.

Individual and team development

- Explain how individual's actions impact others;
- Acknowledge accomplishments;
- Give constructive, learning-focused feedback;
- Promote teamwork and collaboration;
- Lead by example; and
- Recruit and retain highly capable people with strong and positive morale, shared vision and values, and the passion and skills for achievement.

Qualities of a leader-visionary

Macomb Community College offers these characteristics of a leader-visionary:

- Sense of vision—can visualize a preferred future;
- Passage awareness—knows how to take the initial steps toward a vision;
- Positive perceptions—is well regarded by others;
- Curiosity—enjoys exploring uncharted water;
- Courage—capable of advocating the unconventional;
- Creativity—always building better mousetraps;
- Innovation—knows how to make mice an asset;
- Capacity—capable of orchestrating change;
- Communicator—effective listener, writer, speaker;
- Inspirational—charismatic, excites others;
- Intelligent risk-taker—knows the odds before playing them;
- Strategic thinker—seeks insight and understanding by asking questions;
- Political—understands that there are different means to ends;
- Anticipatory—foresees implications;
- Thirst for knowledge—asks how and why, craves understanding;
- Holistic—understands the big picture;
- Integrity—can be trusted;
- Intuition—knows how to make good guesses;
- Developer—helps others become better; and
- Humor—uses amusement to illuminate and rejuvenate.

Leaders and their context

Warren Bennis, in *Becoming a Leader,* says that leaders "master the context" rather than surrender to it. Bennis

makes the following distinctions between managers and leaders:

- The manager administers—the leader innovates;
- The manager is a copy—the leader is the original;
- The manager focuses on systems and structure—the leader focuses on people;
- The manager relies on control—the leader inspires trust;
- The manager has a short-range view—the leader has a long-range view;
- The manager asks how and when—the leader asks what and why;
- The manager has his eye always on the bottom line and the leader has his eye on the horizon;
- The manager imitates—the leader originates;
- The manager accepts the status quo—the leader challenges it;
- The manager is the classic good solider—the leader is his own person; and
- The manager does things right—the leader does the right things.

Appendix F

Planning Resources

Writing a strategic plan is difficult enough without worrying about resources and space. So as you plan to plan, plan on gathering these resources to make your job as easy as possible:

- Space and resources,
- Documents and data, and
- Computer and software.

Space and resources

It is very important that the planning committees have a good place to work. Rooms can be reserved by planning teams through the coordinating/steering committee secretary or another coordinating body and should have these resources:

- An overhead projector,
- A slide projector,
- A screen,
- Blank walls upon which you can tape charts or ballots,
- Large chalkboards or dry-marker erasable boards with chalk and dry markers,
- Flip charts,
- A telephone,
- Quick access to a photocopier,
- A computer with access to the Internet,
- Work tables,
- Movable chairs and couches, and
- Quick access to coffee and restrooms.

Documents and data

It is also very helpful to have access to the following documents, reports, and data sets:

- Most recent mission statement;
- Most recent vision statement;
- Most recent strategic plan and initiatives;
- Detailed institutional budget (current);
- Top of line summaries of budgets from past decade;
- Campus master plan;
- Planned renovations;
- Schedule of new buildings;
- Technology plan;
- Annual report;
- Most recent accreditation report;
- All recent institutional and market research;
- Local, regional, and/or national demographic, economic, and job-trend data;

- Data on all competing colleges and universities;
- College guides such as Barron's or Peterson's;
- College catalog(s);
- Samples of all recruiting publications;
- Campaign case statements;
- Samples of all fund-raising literature;
- Samples of fund-raising and recruiting literature from competing institutions;
- Longitudinal recruiting and retention data; and
- Longitudinal annual fund and fund-raising data.

Computer and software resources

If they are available, certain software and computer resources will make your work more efficient and effective.

A linked or network-based meeting-scheduling software package such as Lotus Notes, Schedule Maker Pro, Team Agenda, or Sidekick Group Scheduling will make scheduling your meetings much easier.

E-mail can cut down on the need for so many meetings. You can use e-mail to query team members about a particular topic or issue, poll them about a decision, or even schedule meetings. The latest version of Microsoft Outlook, for example, allows you to schedule meetings for groups of people almost instantly.

An idea generator such as Idea Fisher is a wonderful tool for facilitating group thinking and discussion. Ideas can be posed, expanded, and quickly evaluated.

Planning software such as Fast Track, Manage Pro, On Target, or Sure Track will save you an enormous amount of time and frustration as the plan is developed, refined, implemented, and changed. A computer-based projection system will allow you to project your monitor's image to a large screen. This is especially useful when compiling initial lists and ideas, such as threats facing the campus. Using a computer to record and project the team's comments and ideas will make the process much more engaging and efficient. It is also helpful to use a projection system when examining Web sites.

Appendix G

Planning Assumptions

Strategic plans must be built on assumptions about the institution and its environment. In this appendix, planning assumptions for two institutions: the University of North Carolina-Charlotte and the University of Montana are presented.

The University of North Carolina-Charlotte's Campus Academic Plan is based on the following environmental considerations. Taken from the university's Web site at *www.uncc.edu/academic_affairs/academic_plan*, they are reprinted here with permission.

1. Higher education's share of state appropriations will continue to decline with increasing competition for available dollars from other educational sectors and as elected representatives attempt to address legitimate public concerns in the areas of health, welfare, and crime. Following the implementation of a second funding formula in Fall 1998, UNC Charlotte will see no additional adjustment in its funded student/faculty ratio or support funding until the University attains Doctoral II status.
2. There will be continuing and even increased demands from the General Assembly for the University to provide highly accessible, high-quality, cost-effective undergraduate and graduate instruction across a wider audience and for the constituent institutions to implement self-regulating systems to ensure continuous review and improvement of institutional quality. Particular attention will be placed upon the effective and efficient use of faculty resources, and the University will be asked to demonstrate the productivity and effectiveness of members of the faculty.
3. By the middle of this planning period, the University should achieve Carnegie Doctoral II status and will be progressing toward research status in this classification scheme. A host of issues and challenges will present themselves in the context of this progression including enhancement of the research infrastructure, increasing library resources, development of equitable faculty workloads, and generation of a graduate culture on the campus.
4. New initiatives must be considered carefully at all levels so that they do not significantly diminish

the quality of those existing programs and activities that are central to the accomplishment of the missions of the departments, the colleges, and the University as a whole. At the same time, it must be recognized that some activities are more important than others. We must be prepared to dispense with those which have outlived the need they were intended to serve, have failed or are unlikely to meet standards of excellence, have failed to attract the expected audience, or are too costly for the benefits produced. And while it can be expected that new programs eventually will generate new resources from increased enrollments, reallocation by the Provost and within the Colleges will be necessary in the short-term to launch new initiatives.

5. Both in terms of student enrollment and institutional commitment, UNC Charlotte will continue primarily to be concerned with outstanding undergraduate education, with gradual and selective increases in the number and size of its master's and doctoral programs. During the planning period, the mix of undergraduate and graduate enrollments will change gradually so that the proportion of graduate students will rise by three to four percent and the proportion of undergraduate students will drop by that amount.
6. Demand for undergraduate education will continue to rise in response to growth in the Charlotte region and increases in the proportion of high school graduates who desire and qualify for post-secondary education. As a result of comprehensive articulation agreements between the UNC system and the North Carolina Community College System, an increasing number of these students will begin their higher education at a community college and then transfer to one of the sixteen UNC constituent institutions upon completion of requirements for an associate degree. All public institutions in North Carolina, but particularly UNC Charlotte, must prepare for the anticipated "tidal wave" of new, traditionally-aged undergraduates who will be seeking access to higher education.
7. Increases are also expected in the proportions of undergraduate students who are 25 years or older, female, and members of underrepresented minority groups. Although not all minority high school graduates will have met the Minimum Admission Requirements of the University of North Carolina and therefore will not be immediately eligible to matriculate at one of the sixteen constituent institutions, it is clear that extending educational opportunity to the State's most significant minority groups will be an important issue to be confronted by the public institutions, including UNC Charlotte. Uncertainty with respect to the expected levels of federal financial support for students and declining political support for affirmative action could present a challenge to the University's efforts to ensure access for minority and low income students.
8. Continuing changes in the work force will result in the return to higher education of many college graduates seeking post-baccalaureate degrees and certificates and the upgrade of job-related skills through credit and noncredit continuing professional education and certificate programs.
9. While UNC Charlotte aspires to achieve national and even international standards of excellence in its instructional, research, and public service programs and the quality of its faculty, it has a particular obligation to use its human and other resources to respond to the needs of the Charlotte metropolitan region, including those related to economic development, the solution of pressing social problems, and cultural enrichment of the citizenry.
10. Federal support for research, facilities enhancement, and curriculum development will decline overall on an absolute basis as will returns to higher education via formulas for indirect cost reimbursement. Increasingly, both publicly- and privately-funded research will be interdisciplinary and applied in character, with an orientation toward economic development.
11. Technology will have an increasing impact on teaching, learning, and the way the University operates. Incoming students will be more technology-literate and will expect more sophisticated applications of technology to deliver instruction and support the learning process. Effective application of technology will present a continuing challenge for members of the faculty and support staff because of the rapid pace of technological change.
12. Technology relevant to instruction, including everything from the World Wide Web to the use of fiber-optic networks for two-way interactive television, will erode the market monopoly that geography has afforded regional universities like UNC Charlotte to serve students who either must or choose to attend school close to where they work or live. As students

have more choices for fulfilling their educational needs, they will place increasing emphasis on compatibility of program design, instructional methods, and course scheduling with their personal circumstances as they choose the institution at which they will enroll. These developments will present both the responsibility and the opportunity to extend access of the region to the resources of the University through appropriately designed and scheduled regular instruction, distance learning, continuing education, and professional service via weekend and evening offerings, immersion options, and the World Wide Web. Further development of UNC Charlotte Uptown also will enable the campus to more effectively respond to the diverse educational, economic, social, and cultural needs of the Charlotte metropolitan region.

13. The Charlotte metropolitan region, defined formally as the ten adjacent North Carolina and three South Carolina counties that ring Charlotte and Mecklenburg County, will witness the continuation of several major trends observed over the past two decades: 1) continued diversification and modest strengthening of the region's manufacturing and industrial base; 2) strengthening of the region as a major center for trade and distribution; 3) continuing importance as a provider of health-care related services and gradual emergence in the area of health-related research; 4) solidification of Charlotte's place as one of the nation's largest centers for financial services; 5) increasing presence of foreign-owned business and industries and growth of internationally-active businesses in the region; 6) increasing recognition that lifelong education and retraining of the work force in nearly all sectors will be necessary to maintain economic competitiveness; 7) continued development of Charlotte's capacity to respond to the cultural needs of the citizens of the region with a diverse array of visual and performing arts; 8) continued pressure to reform and restructure public education; and 9) continued growth and urbanization of the region and the resulting impact on the environment, economic development, crime, transportation, and the delivery of public services. There will be even greater demands upon the University to help the region deal with problems associated with these developments and increasing opportunities to help the region exploit its economic and cultural potential.
14. Continuing campus-wide attention to public relations will be required to understand the needs of the citizens in the Charlotte metropolitan region, to capitalize on opportunities to respond to those needs, and to establish UNC Charlotte's identity as an energetic and responsible university known for the excellence and effectiveness of its endeavors.

Planning assumptions from the University of Montana's strategic plan

Taken from the university's Web site (*www.umt.edu/strategic/challenge/#Assumptions*), they are reprinted here with permission of University president George Dennison.

- State appropriations to support higher education will remain flat at best for the foreseeable future. However, the policy makers and general public will become increasingly concerned about the proportion of the state support allocated to research and graduate education rather than to undergraduate education.
- Public concern about faculty workloads and the numbers of administrators and staff will not diminish significantly during the coming decade. As a result, the pressure to reduce administrative costs and reinvest the savings in the instructional sector will increase.
- Tuition will have to increase in order to maintain quality, but will undoubtedly move in close concert with the rate of inflation, if not slightly below it. Even so, cost will soon interfere with access to higher education, absent federal and state support to prevent that outcome.
- The university will need to take action to insure that tuition for the two-year sector remains closer to the market. To date, it seemingly has not interfered with access, as the rising enrollments appear to indicate. However, the changing profile of students in the two-year sector suggests that price has affected those persons dislocated by economic restructuring who make up a declining portion of total enrollments in that sector.
- During the next five to 10 years, resident undergraduates will have to pay an increasing proportion of the cost of the education in tuition, amounts ultimately to 50 percent or more.
- Given public concerns about tuition, the university will have to find ways to increase nonresident tuition more rapidly than resident tuition. Nonresidents currently pay more than 100 percent of the cost of the education.
- The University of Montana will need to consider carefully whether or how to move toward a common tuition rate for all students regardless of residency.
- Even with the demand to reduce administrative costs

and staff numbers, students and their parents—along with the Regents—will demand enhanced student services. In addition to one-stop shopping, we must also make provisions for comprehensive academic advising, more intensive career counseling, and responsive campus recreation, among others.

- Cost containment has become an imperative we ignore only at our peril. Finding ways to reduce costs while maintaining quality and access presents the major challenge.
- Information technology has become a necessity, and we will have to find ways to equip the faculty and staff while assuring student access. We must plan to expend roughly 5 to 10 percent of the total budget on information technology and infrastructure.
- Access to library resources and needed information, either directly or electronically, will become increasingly critical. The university will need to expend between five and 10 percent of the instructional and research budgets to achieve that objective.
- As the economy and demography of western Montana changes, the university will have to adjust its array of programs in response to identified needs at the two-year, technical, baccalaureate, and graduate levels. The programmatic array will undoubtedly require consideration of engineering and related disciplines in addition to health care and the fields already represented on the Missoula campus.
- The university must develop a plan for faculty and staff that identifies necessary staffing levels, an appropriate schedule, and the means of support.
- The university must develop and implement a professional development program for the faculty, staff, and administrative groups, devoting between 3 and 5 percent of the operating budget to the program.
- The university must have a comprehensive public relations plan that covers all aspects of external relations.
- Within the next three years, the university must gain possession of the remaining lots in private ownership on the northwest corner of the campus and then complete the removal of the houses currently located there. Immediately thereafter, the university must resolve the access and egress routes for the campus, while also completing the facilities planned for that area.
- Because facilities to support the desired program array and the enrollments dictated by demographic change might require new construction as well as renovation of existing buildings, the university must have a responsive facilities plan, which identifies revenue streams and the most effective use of existing buildings.
- The university must resolve the parking dilemma by providing appropriate parking facilities and assisting in the development of an adequate public transit system. The university must address the housing and other needs of students either directly or by working with the private sector.
- The university must plan the athletic program it will maintain during the next 20 years in view of anticipated changes in the national athletic environment.
- The university must continue to improve its success in attracting external funds to support graduate education and research. With the implementation of the long form for indirect cost recovery, the university must develop means to assure the collection of all authorized indirect costs.
- The university must implement a comprehensive plan for the use of indirect cost recoveries, including provision for necessary services and support of existing and new research faculty, graduate students, faculty members in disciplines for which little if any external support exists, library resources, and information technology.
- The university must have a financial plan for the next 10 years—updated biennially—identifying revenue streams and amounts to finance the enrollment, academic, academic support, research, student services, athletic program, facilities, and other plans. The financing plan must presume either steady state or inflation-based state appropriations, and must identify tuition rates and yields, funded research volume and indirect cost recoveries, auxiliary revenues, endowment income, private contributions, and all other revenues sources and amounts to assure a balanced budget.
- The university will have to develop an internal budget request and allocation process to assure fair and equitable allocations. Within each sector—i.e., Academic Affairs, Student Services, etc.—rational and consistent request and allocation processes must exist, with appropriate provision for resource reallocation.
- The University of Montana Foundation will have to focus upon endowments to support the overall financing of the university, while also assisting with the facilities plan. The University of Montana Alumni Association will have to dedicate itself to the intensive cultivation of alumni relations so as to assure a broad base of potential support for the university, both financially and politically.

Appendix H

Assessment Questions for the Essential Task Areas

To help guide your situational analysis, I have developed a series of questions for each essential task area.

Academic assessment—key questions

- Are the ways in which we measure academic quality still relevant?
- What are our five key academic values?
- What is/are our current method(s) of assessing academic success/outcomes?
- How well do academic programs match employment trends?
- Do programs mimic other institutions or reflect institutional goals?
- How much student migration occurs between and among majors? Do you plan for migration early on?
- How/where will distance learning be an effective remedy to stretch limited faculty/classroom resources?
- How can strategic partnerships with other institutions expand academic programming and allow us to focus on our strengths?
- What is/are our current method(s) of assessing student academic performance?
- How well does the current mix of academic programs match the institution's mission and the president's vision?
- How will emergent technology impact the curriculum and how we teach?
- What does it mean to be "liberally educated"?
- How do we respond to increased student interest in professional fields and declining interest in the liberal arts and sciences?
- Does the institution have the faculty and the facilities to support the programs it currently offers and anticipates offering in the future?
- How well do current programs align themselves with the expectations of the current student pools, future pools, and the job market?
- What programs' graduates over the past five years have been most successful (in income, employment satisfaction, employment promotion, etc.)?
- What is our student/faculty ratio and how does it compare with our competitors?
- What academic programs are "hot," "not so hot," and "cold"?
- What current or proposed academic programs are of special interest to our immediate community, donors, or businesses?
- What programs have the ability to attract national attention from students, the media, others?
- What are the major impediments for bringing new programs on board or terminating old ones?
- What is the one program, politics aside, that everyone knows should be terminated or cut back?
- How might we modify our governance practices to be more responsive to changes in the marketplace?
- As faculty retire, do we automatically replace them or is there an effective method by which vacancies can be an opportunity for hot majors to expand?
- Does current governance structure support and encourage change in the academic enterprise?

Student recruiting and financial aid—key questions

- How realistic are our enrollment projections? Are these numbers plugged into our long-term budget, facilities plan, and technology plan?
- What are the major economic, demographic, and job trends that might impact our ability to recruit a class?
- What is the cost per enrolled student and how does that compare with national trends?
- Are our admissions and aid offices working together from recruitment to yield?
- Is cross-training adequate?
- Can we help students accelerate their degree programs and take less debt?
- What academic programs do we wish we had that we don't?
- What is our discount rate and how does that compare with national trends?
- How can we maintain a "value for the money" position in the face of an increasing view of higher education as a commodity?
- Do we have an effective student recruitment communication system that is well defined in terms of our mission and image, and is well structured/founded in technology?
- How well are we communicating the benefits of attending our institution from the point of view of the student (not just us)?
- To what degree are we "first choice"?
- How will we compete against virtual colleges and universities?
- Have we identified our student target markets?

- From what geography do a majority of our students come?
- Who influences our prospective students? How well are we communicating with these audiences?
- Why do students choose us?
- With which schools do we overlap? How do we compare with those schools on such issues as cost, image, financial aid packaging, tuition discount, etc. How has this changed over the past five years?
- To which schools do we consistently lose students?
- What are the demographic and psychographic characteristics of students who are most likely to persist?
- To how many other colleges does our average applicant apply? How has this changed over the past five years?
- How many students are self-referrals?
- Why do students not inquire? Apply? Deposit? Matriculate?
- What percent of applicants visit? What percent of visiting students enroll?
- What are the most significant nondollar costs for attending?
- Can we assess the effectiveness of our direct mail, visit, and Web strategies?
- How can we transition from a direct mail-based recruiting strategy to a direct marketing one?
- Who is responsible for our Web-based recruiting strategies? Are these strategies considered a recruiting issue or a technology issue?
- What recruiting strategies seem to have lost their edge? What strategies are emergent?
- How should we focus our high school visit program?
- How can we use college fairs to break into new territories?
- How many students are inquiring/applying via e-mail?
- How are we using faculty and alumni to help recruit?
- Can we track the cost effectiveness of our travel program in terms of prospects generated, conversion to applicant, and yield to accept?
- How much are we spending on institution-based financial aid?
- Are we awarding financial aid in line with our mission?
- How much impact are our scholarships having? Are our grants high enough to make a difference?
- Are we spending too much on grants? Are we putting grant money in the right places?
- Are our aid awards supporting larger marketing goals?
- What is the average debt load of our graduates?
- Do we have enough sound data to undertake financial aid leveraging?

Student development/retention—key questions

- Why do students not persist?
- Are there some departments such as engineering that are losing students to industry early? Is this a measure of success?
- How do our students define "community"?
- What types of student-to-student support and peer groups exist?
- Is there a special study/social lounge area for commuter or nontraditional students?
- How adequate is parking?
- How are classes scheduled: to satisfy faculty or students? What is the retention rate of subgroups of students such as gender, students of color, international students, part-time students, commuters, etc?
- Do we organize retention data by individual academic programs?
- Have we been tracking student satisfaction longitudinally?
- What safety nets or early warning systems do we have in place?
- What percent of our students transfer out each year? Is that percentage increasing or decreasing?
- What are the consistent service "gaps" on campus and what are we doing about it?
- What are the different ways in which academic departments advise students? Are some ways clearly more/less effective than others?
- Are we using emerging technology to improve our tracking, advising, and other student services?
- Do physical plant, housekeeping, and dining services understand their role and value in retention?
- How well are we meeting the nonacademic needs of nontraditional students?
- How well do we counsel students (on career goals, on personal matters, on academic matters, on financial matters)?
- Do we regularly study and evaluate the patterns of failure and withdraws in our academic programs?
- How integrated are the admissions, financial aid, registrar, and student accounts offices?
- What is the satisfaction level of our remedial students, and how might it compare to or influence our overall student satisfaction rates?

Institutional advancement and alumni relations—key questions

- How well integrated are the development offices on our campus?

- If there is more than one advancement office, does the right hand know what the left is doing?
- How do these offices interact with admissions and financial aid? If our campus has many disparate development efforts, do they interact with admissions efficiently?
- Do alumni participate in recruitment efforts? How are they utilized?
- What is the participation rate in the annual fund?
- Does the institution have 1, 5 or 10 (or more) major donors?
- How large is the board? How involved is the board of trustees? How long do trustees serve? Is a donation mandatory for naming to the board? What is the expected gift level for one to become a member of the board of trustees?
- Is there an advancement advisory board?
- When was the last time you conducted an attitudinal survey of our alumni/ae?
- How do alumni/ae donations and involvement correlate with their satisfaction with the undergraduate experience?
- How many named scholarships are there?
- How do scholarship program beneficiaries express their thanks to donors?
- How strong is the stewardship operation in our development office?
- How often do donors receive an account of their gifts and pledges?
- How does graduate debt impact the relationship between our young alumni and the institution?
- What percent of our alumni are involved in alumni activities?
- What alumni activities or events should we develop? Drop?
- Is the percent of alumni who are giving and the size of the average alumni gift increasing? Are these two figures better than the averages at our peer institutions?
- Does the institution have an alumni advisory board?
- Is membership in the alumni association better than the average at our peer institutions?
- What is the demographic profile of our alumni donors?
- What percent of our alumni are in our database? What percent have usable addresses saved? E-mail addresses?
- How much does it cost to raise a dollar?
- Are we effectively using technology to develop our donor lists and to solicit donations?
- What are the giving patterns of the institution's board? Administration? Faculty?
- How large is the donor base in relation to other institutions?
- What is the largest and average gift received by the institution? How/why did we receive it?
- How large, experienced, and qualified is the major gifts and annual fund staff?
- When was the last campaign feasibility study?
- What are the needs of the institution and has a compelling case been made for these needs?
- Why do former donors no longer give?
- Is all fund raising coordinated through a single office and a single donor database?
- Are gift receipting and the donor/prospective donor list managed through a single office
- Are there policies in place that will protect donors from excessive solicitation or multiple solicitations from the same institution?
- Is the institution's advancement program in compliance with state and federal law?
- Is the institution equipped to administer charitable trusts? What about gift annuities?
- Have we diversified our grant-funding base to include public funds, corporate funds, and private foundation funds?
- What services do we provide to the community to encourage giving?
- Are we using grants as a strategy of our institutional advancement?
- How much time does the president devote to fund raising?
- How committed is the board of trustees to giving? What is their giving percentage? How much time do members of the institution's board spend in fund-raising activities on behalf of the institution?

Marketing, communications, and image—key questions

- How are we defining marketing? Are we thinking of integrated marketing or promotion? Are we comfortable with the 4 Ps or the 4 Cs?
- Who are our six most important stakeholders/audiences? Do we know how they perceive us? Are we doing a good job communicating (including listening) with them? Do we know their media/communication habits?
- How do we want to be perceived? What position do we want to "own" in the minds of prospective students, donors, and alumni?
- How are we perceived by major competitors?

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- Do the media seek us out? Why?
- Have we improved our image in the last 6 months, last year, and last three years?
- Do we have a clear image champion? Does our champion have power and authority?
- Do we have the resources (people, dollars, and time) to develop a unique brand? Are these resources sustainable?
- What are our top five "points of pride"?
- How do our marketing strategies compare with our competitor cohort and aspirational cohort?
- How does our marketing communication mix compare with that of our top competitors?
- Is our president committed to the idea of marketing?
- How can we distinguish ourselves from our competitors in ways that prospective students and donors find meaningful?
- Is our marketing/image campaign adequately funded?
- Who is responsible for our image on the Internet? Is our Web presence considered an image or marketing issue or a technology issue?
- Do our publications reflect and reinforce the image/position we are trying to advance?
- How does the local community perceive us? Are we perceived as partners and a resource?
- What town/gown initiatives have we undertaken?
- How do we measure the effectiveness of our image management system?
- What media do we use to communicate our image (i.e., print, direct mail, TV, radio, word of mouth)?

Information technology—key questions

- What platform(s) are we currently using for admissions? Financial aid? Student affairs? Registrar? Advising? Accounts? Are they integrated?
- How much access do students have to information over the Web?
- Is our Web site secure?
- How much are we paying for administrative computing? How effective is our administrative computing group?
- Is there excessive turnover in our administrative computing area?
- How will changes in technology impact the teaching/learning experience?
- How will changes in technology impact the library?
- What does it mean for our students to be technologically savvy?
- How can we pay for (and maintain) current and emerging technology without cutting back on other necessary expenditures?
- How can we more effectively integrate our academic and administrative management information systems?
- What kinds of partnerships can we develop with other colleges and universities and vendors to reduce the cost of technology?
- Are our classrooms and residence halls "linked"?
- Can off-campus students easily access the campus system?
- Have we budgeted for computer and technology turnover?
- What is the current life span of our technological infrastructure?
- Do we use common platforms throughout the college?
- Do we keep a record (inventory) of our computer infrastructure (i.e., software, hardware, peripherals, networks, etc.)?

Facilities planning—key questions

- How does the facilities master plan match our current enrollment trends, hot programs, etc.?
- Do we have an effective computerized classroom scheduling system that ensures facility utilization?
- How much deferred maintenance do we have and has it been prioritized based on strategic goals?
- Is the building master plan coordinated with the strategic plan and the strategic marketing plan?
- When was the last classroom technology inventory conducted?
- Are all classrooms hard wired?
- How do systems support growth of FTEs?
- Will our institution grow more in the undergraduate or graduate area?
- What facilities will we need to respond to enrollment growth?
- At what point does student satisfaction deteriorate relative to enrollment size and access to institutional facilities?
- Do we have a facility preventative maintenance program, and is it computerized?
- Have we conducted a structural assessment of existing facilities?
- Are our current and planned facilities designed to complement technological advancements?
- Do our current facilities support the "hot" programs of the present? The future?
- Can we afford to maintain our current and planning facilities?

- Is there a plan in place to prioritize the backlog of deferred maintenance? Is this plan tied to recruiting goals?
- Have we completed a short- and long-term parking assessment?
- Is our staffing level adequate to support our current facility infrastructure?
- Are residential facilities being brought online quickly enough? If not, how will the housing shortfall be handled and what is the likely impact on enrollment and retention?
- Are we ADA compliant?
- Are residence halls attractive, clean, and safe?
- Are residential facilities being updated regularly?
- Are classrooms attractive, flexible, and state of the art?
- Is the library technology up to date?
- Do we have sufficient, well-lit parking?
- Does the campus have enough green space?
- What appearance does our campus give to visitors?
- Is there a single "entrance" to campus?
- Are the boundaries to campus easily distinguished?
- How easy/difficult is it for first-time visitors to locate a specific building? Are the signs and campus maps up to date?

Human resources—key questions

- How is campus morale?
- How do internal audiences perceive the institution?
- How receptive are internal audiences to change?
- How can our salaries and benefit package be more competitive?
- How can we lower the rate of increase or even lower the cost of our benefits package without sacrificing quality?
- What are some nondollar incentive programs?
- Are our salary structures flexible enough to meet market demands and provide for competency based pay?
- Do our benefit programs meet market expectations?
- Are benchmarks for staffing expectations tied to expectations for enrollment growth?
- How do we measure employee performance?
- How do we reward employee performance improvement?
- Do we have a well-defined and systemic reward system?
- How are incentives tied or related to accountability and responsibility?
- How do we measure the effectiveness of teams versus individuals?
- What policies should we initiate to recruit, develop, and retain the best faculty? Administrators? Staff?
- Do we have programs in place to recruit replacements and transfer institutional knowledge?
- Do student wages increase to match tuition increases?
- How can we provide needed facilities and space in response to growing enrollments and increased research funding in the absence of additional resources to create new facilities?
- How committed are we to customer service?
- Does the work environment support positive attitudes toward diversity in the workforce?
- Are personnel/payroll systems, data access, and reporting meeting the needs of administration, i.e. providing accurate data for management decision making on such issues as salaries, internal equity, turnover rates, fiscal liability for leave balances, comp time, etc.
- How do we develop a human resource information system that equally serves both analytical and operational demands?
- Can we further streamline turnaround time and accuracy of personnel actions?

Finance and budgeting—key questions

- What system do we use to ensure that all operational budgets are related and complementary to our planning efforts (e.g., activity based costing, zero-based budgeting, other, or none)?
- Do we practice fiscal stewardship?
- Do we endow the maintenance of proposed new buildings and facilities?
- How does the current budgeting process limit our ability to fund new initiatives?
- How does our annual budgeting process and rough allocation of dollars compare with that of like institutions?
- Have we ever considered zero-based budgeting?
- Who does the budget? Is there a CFO or a CPA in charge?
- Is the budget tied to the strategic plan?
- Are budget overages a regular occurrence?
- Are directors and staff accountable for results?
- Is the institution trying to do too much with too little?
- What dollar resources are restricted and cannot be used for other purposes?
- How much of the current budget is available to be redirected?
- What donor support might be available for new strategic initiatives?
- What outside funding might be available for new ventures?

- What current services and activities can we outsource to reduce costs?
- What partnerships or collaborations might we develop to increase revenue?

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Appendix I

Conducting a Planning Postmortem

Once the implementation of the strategic plan is underway it is time to hold a planning postmortem. The purpose of the postmortem is to help you evaluate the planning process you just completed so your next planning cycle will be more effective and efficient.

To gather as much insight and information as possible, the postmortem must involve the key stakeholders who played a significant role in the planning process. Fortunately, the committee structures that helped develop the plan are still in place so undertaking the postmortem should be fairly straightforward.

Begin at the top

After the plan has been under way for a period, ask the president how she or he feels about the planning process and the resulting plan. Was the president clear about and comfortable with her or his role? Did the overall process live up to the president's expectations? What would he or she like done differently the next time around? Ask good questions, listen closely, and probe.

Query the strategic planning coordinating/steering committee

Spend time with the coordinating/steering committee. Take members out to lunch and query them about the planning process. What did they like and not like? What would they do differently? Was the structure of the essential task areas both comprehensive and nimble? What do they wish they could undo? What was their favorite part of the planning process? What part surpassed their expectations? What part did they like least? Was enough time spent on each step? Was too much time spent? How did the process affect their interaction with colleagues not directly involved?

Discuss each step and focus on how the processes associated with each step could have been improved. Ask questions like these:

- Was the process empowered correctly? Did it have the support of the campus community?
- Was the decision to proceed with the planning process compelling?
- Did the coordinating/steering committee understand the purpose and communicate it to internal constituencies?
- Was the right champion chosen?

- Were the right people on the coordinating/steering committee? Who should be on the next committee?
- Did the committee function as a true team or was it just another committee?
- Were planning relationships, terminology, and processes understood?
- Were stakeholder expectations determined *a priori* and well managed?
- Was communication ongoing and aggressive?
- Did the team make the correct decision to stay inside or go outside?
- Was the strategic planning process workable?
- Did the planning process begin with a clear sense of mission and vision?
- Was the SWOT analysis comprehensive enough? Too comprehensive?
- Did the process solicit enough input and provide adequate opportunity for synthesis? Did anyone feel left out?
- Did the team have solid data with which to work?
- Was the process for finalizing and prioritizing the situational analysis?
- Were the strategic initiatives truly strategic?
- Were the strategic goals clear, compelling, and achievable?
- Were the strategic action plans well conceived, well timed, and well funded?
- Was all the promised money made available? Is the budget adequate? Is it sustainable over time?
- Was the plan debugged appropriately? Were decisions made that will improve its performance and impact?
- Is/was the plan's execution on time and on target?
- Did the plan celebrate early wins?
- Are criteria, tools, and procedures in place to modify the plan as it progresses?

And don't forget the big question:

- Did the process focus on the people?

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About the Author

Robert A. Sevier is vice president for research and marketing and general manager at Stamats Communications. With nearly 45 years of experience in the higher education marketplace, Stamats is one of America's most experienced higher education consulting, research, marketing, and communications companies.

Each year, Sevier directs more than 100 research studies and helps nearly a dozen colleges with their marketing and strategic plans. He has also written more than 50 articles for CURRENTS, *The Journal of College Admissions*, *Trusteeship*, *Communication World*, *Admission Strategist*, and *College and University Journal* and conducted more than 400 seminars and presentations for CASE, NAICU, NACAC, ACT, AACRAO, CIC, NACCAP, the AMA, NCMPR, and the College Board.

In 1998, Sevier authored *Integrated Marketing for Colleges, Universities, and Schools: A Step-by-Step Planning Guide*. Published by CASE, the book is the most comprehensive book on educational marketing available. In 1999, he co-edited another book for CASE, *Integrated Marketing Communication: A Practical Guide to Developing Comprehensive Communication Strategies*.

Prior to Stamats, Sevier worked as director of media relations for the Oregon Health Sciences University in Portland and served as director of marketing communications for Denison University in Ohio. Sevier earned a Ph.D. from Ohio State University in 1986 in policy analysis and higher education administration. His dissertation, titled "Freshmen at Competitive Liberal Arts Colleges: A Survey of Factors Influencing Institutional Choice," involved a nationwide study of how college-bound high school students choose a college. He also holds an M.S. degree in journalism/public relations from the University of Oregon (1979).

Bob can be reached at (800) 553-8878 or *bob-sevier@stamats.com*.

Strategic planning is systematic.

It calls for following a focused and productive process. The process raises a sequence of questions that helps planners and internal stakeholders examine past experiences, test old assumptions, gather and incorporate new information about the present, and anticipate the environment in which the organization will be working in the future....

Strategic planning involves choosing specific priorities.

It means making decisions about ends and means, in both the long term and the short term... It articulates the major goals and the priority methods the organization selects. Long-term goals have implications for short-term action: the two must be congruent with one another for the plan to be valid and useful....

Strategic planning is about building commitment.

Engaging key stakeholders in identifying priorities allows broad consensus building, resulting in enhanced accountability, ensuring that a strategic plan will actively be used for guidance and inspiration, instead of serving as a dust cover for a remote corner shelf.

Other CASE Books by Robert Sevier:

Integrated Marketing for Colleges, Universities, and Schools: A Step by Step Planning Guide (Written by Robert Sevier)

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